
CITY OF KIRKLAND

CITY COUNCIL



Amy Walen, Mayor • Penny Sweet, Deputy Mayor • Jay Arnold • Dave Asher
Shelley Kloba • Doreen Marchione • Toby Nixon • Kurt Triplett, City Manager

Vision Statement

*Kirkland is an attractive, vibrant and inviting place to live, work and visit.
Our lakefront community is a destination for residents, employees and visitors.
Kirkland is a community with a small-town feel, retaining its sense of history,
while adjusting gracefully to changes in the twenty-first century.*

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AGENDA

KIRKLAND CITY COUNCIL MEETING

City Council Chamber

Tuesday, September 15, 2015

6:00 p.m. – Study Session – Peter Kirk Room

7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.kirklandwa.gov. Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (425-587-3190) or the City Manager's Office (425-587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 425-587-3190. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

EXECUTIVE SESSIONS may be held by the City Council only for the purposes specified in RCW 42.30.110. These include buying and selling real property, certain personnel issues, and litigation. The Council is permitted by law to have a closed meeting to discuss labor negotiations, including strategy discussions.

PLEASE CALL 48 HOURS IN ADVANCE (425-587-3190) if you require this content in an alternate format or if you need a sign language interpreter in attendance at this meeting.

ITEMS FROM THE AUDIENCE provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION*, Peter Kirk Room
 - a. Discussion with State Legislators
4. *EXECUTIVE SESSION*
5. *HONORS AND PROCLAMATIONS*
 - a. National Pollution Prevention Week Proclamation – September 21-25, 2015
 - b. Manufacturing Day Proclamation - October 2, 2015
6. *COMMUNICATIONS*
 - a. *Announcements*
 - b. *Items from the Audience*
 - c. *Petitions*
7. *SPECIAL PRESENTATIONS*

QUASI-JUDICIAL MATTERS

Public comments are not taken on quasi-judicial matters, where the Council acts in the role of judges. The Council is legally required to decide the issue based solely upon information contained in the public record and obtained at special public hearings before the Council. The public record for quasi-judicial matters is developed from testimony at earlier public hearings held before a Hearing Examiner, the Houghton Community Council, or a city board or commission, as well as from written correspondence submitted within certain legal time frames. There are special guidelines for these public hearings and written submittals.

ORDINANCES are legislative acts or local laws. They are the most permanent and binding form of Council action, and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

RESOLUTIONS are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

PUBLIC HEARINGS are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

8. CONSENT CALENDAR

- a. *Approval of Minutes:* (1) August 3, 2015
(2) September 1, 2015

- b. *Audit of Accounts:*
 - Payroll* \$
 - Bills* \$

c. General Correspondence

d. Claims

e. Award of Bids

- (1) 6th Street South Sidewalk Project, Kamins Construction, Bothell, WA

f. Acceptance of Public Improvements and Establishing Lien Period

g. Approval of Agreements

h. Other Items of Business

- (1) Ordinance O-4492 and its Summary, Granting XO Communications Services, LLC, a Non-Exclusive Franchise for the Transmission of Telecommunications In, Through, Over and Under the Street Rights of Way of the City of Kirkland.
- (2) Converting Temporary Electrical/Building Inspector to a Regular Electrical/Building Inspector
- (3) Resolution R-5147, Relinquishing Any Interest, Except for a Utility Easement, the City May Have in an Unopened Right-of-Way as Described Herein and Requested by Property Owner Vladimir Lebedev.
- (4) Approve Surplus of Equipment Rental Vehicles/Equipment
- (5) Report on Procurement Activities

9. PUBLIC HEARINGS

10. UNFINISHED BUSINESS

- a. Cross Kirkland Corridor Update
- b. Neighborhood Safety Program Update
- c. Impact Fee Rate Studies and Related Issues
- d. Fire District #41 Interlocal Agreement Clarification and North Kirkland Fire Station Update

NEW BUSINESS consists of items which have not previously been reviewed by the Council, and which may require discussion and policy direction from the Council.

11. NEW BUSINESS

- a.* Resolution R-5148, Declaring Electric Vehicle Charging Stations and Stalls to be for the Purpose of Charging Electric Vehicles Rather than for Use as Parking Spaces and to Allow Any Member of the General Public, Including Downtown Employees and Business Owners, to Charge Electric Vehicles at Charging Stations Owned by the City of Kirkland.
- b.* Resolution R-5149, Ratifying an Amendment to the King County Countywide Planning Policies.

12. REPORTS

a. City Council Reports

- (1) Finance and Administration Committee
- (2) Legislative Committee
- (3) Planning, and Economic Development Committee
- (4) Public Safety Committee
- (5) Public Works, Parks and Human Services Committee
- (6) Tourism Development Committee
- (7) Regional Issues

b. City Manager Reports

- (1) City Hall Seismic Update
- (2) Calendar Update

13. ITEMS FROM THE AUDIENCE

14. ADJOURNMENT

ITEMS FROM THE AUDIENCE

Unless it is 10:00 p.m. or later, speakers may continue to address the Council during an additional Items from the Audience period; provided, that the total amount of time allotted for the additional Items from the Audience period shall not exceed 15 minutes. A speaker who addressed the Council during the earlier Items from the Audience period may speak again, and on the same subject, however, speakers who have not yet addressed the Council will be given priority. All other limitations as to time, number of speakers, quasi-judicial matters, and public hearings discussed above shall apply.



CITY OF KIRKLAND
City Manager's Office
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations Manager

Date: September 8, 2015

Subject: DISCUSSION WITH MEMBERS OF THE STATE LEGISLATIVE DELEGATION

RECOMMENDATION:

Following a "thank you" reception, the City Council participates in a discussion with members of the City's state legislative delegation.

Senators McAuliffe and Habib as well as Representatives Springer, Goodman, Stanford and Moscoso have all confirmed their participation. Senator Hill and Rep. McBride are unavailable. Representative Ross Hunter has been appointed by the Governor to serve as the Director of the Department of Early Learning.

BACKGROUND DISCUSSION:

Preliminary agenda topics include: An overview of this year's legislative accomplishments; City officials sharing what Kirkland is able to accomplish with the tools that the legislature authorized earlier this year; and updates or issues that state law makers might like to share.

The Council's Legislative Committee is chaired by Councilmember Dave Asher and includes Mayor Amy Walen and Councilmember Doreen Marchione. The Committee is staffed by City Manager Kurt Triplett and Intergovernmental Relations Manager Lorrie McKay. The City's State Legislative Advocacy Consultants participate regularly as well in committee meetings.

The 2015 legislative session, a long 105-day session, was extended 70 additional days through three special sessions, entering the books as the longest session in state history. Working in partnership with members of the state delegation, five of Kirkland's seven 2015 Legislative Priorities were achieved by the conclusion of the third special session on July 10. As a reminder, the legislative priorities achieved and their benefit are summarized below.

1. State and local transportation revenue

- Distributes \$190,000 per year (for 16 years) in annual direct fuel tax distributions to Kirkland (\$2.8 million total).
- Authorizes a vehicle license fee within a transportation benefit district (TBD) raised from \$20 to \$40.
- Authorizes Sound Transit to seek \$15 Billion in new revenue, upon voter approval.

Connecting Washington Projects

- \$1.6 billion for SR 520 Seattle corridor improvements
- \$75 million to Kirkland for the I-405 / NE 132nd Street Interchange
- \$1.25 billion for Renton to Lynnwood I-405 corridor widening

Pedestrian and Bicycle Safety Projects

- \$1.86 million to Kirkland for the NE 52nd Street – CKC project (Tier 3)
- \$5 million to King County for Wilburton Reconnection project (Tier 1)
- \$2.8 million to Bellevue for SR 520 Regional Bike Path and Trail (Tier 3)

Transit Projects

- \$5.5 million to King County for bike share expansion in Kirkland, Bellevue, Redmond and Issaquah (Tier 1)

2. \$75 million for the I-405 / NE 132nd Interchange

- Included as a Connecting Washington Project with phased funding within the new revenue transportation budget.

3. \$1,068,600 in Capital Budget funding for improvements at NE 52nd St and the CKC

4. Siting flexibility for marijuana retail & revenue share

- In addition to allowing siting flexibility, the new law includes the policy of marijuana tax revenues for local jurisdictions, distributed based on retail sales and population. The operating budget appropriates the funding at an annual cap of \$15 million per fiscal year for the 2017-2019 biennium and \$20 million per fiscal year thereafter.

5. Additional Sound Transit revenue authority

- Authorized in the new revenue transportation budget

Additionally, in the operating budget, the legislature either maintained or restored important shared revenue programs, representing roughly \$4.5 million in annual distributions to the City.

- Left the Annexation Sales Tax Credit intact (\$4 million annually through 2021)
- Restored liquor excise tax distributions to local governments (\$370,000 annually)
- Retained fire insurance premium tax distributions to cities with LEOFF 1 obligations (\$221,000 annually)

Finally, the legislature passed some policy bills that have the potential of benefiting the City of Kirkland.

- ❖ **Real Estate Excise Tax (REET) flexibility** – The new law allows local governments who can demonstrate that their local infrastructure funding needs are met to use a limited amount of REET revenue to finance maintenance and operation costs associated with existing infrastructure.
- ❖ **Local Options for Providing Services and Facilities for Vulnerable Populations and Cultural Access** – The new law permits a county or city to create a cultural access program (CAP). Authorizes King County, or a city to impose either a sales and use tax or a property tax levy to fund a CAP; authorizes a sales and use tax to fund a CAP; provides restrictions and requirements for how revenues may be allocated within a CAP, including a requirement to create and fund public school programs; authorizes the governing body of a county or city to impose a 0.1 percent local sales tax for housing and related services for specific individuals, if approved by a majority of voters.
- ❖ **Exempting pretrial electronic alcohol monitoring programs from statutory limitations on pretrial supervision costs** – The new law exempts a \$150 limitation on costs for pretrial supervision from being applied to pretrial electronic alcohol monitoring, drug monitoring, or the 24/7 sobriety program. These monitoring programs help keep people out of jail where possible, representing a significant cost savings. (NOTE: KPD currently charges \$15.00 per day for the equipment and they offer a sliding scale for payment. If the person cannot afford the \$15/day, KPD goes to \$0 cost to the person.)

Looking Ahead: 2016 'Short' Session and Beyond

Entering the fourth quarter of 2015, there are several issues and changes on the horizon that will keep lawmakers and varying stakeholders busy and focused finding solutions. Issues such as:

- **The Supreme Court's mid-August McCleary finding** that the legislature's education investments this session are adequate. The areas of inadequate progress are as follows:
 - I. Class size reduction not on target and no specific plan offered to meet mandate.
 - II. No plan to address infrastructure necessary to lower class sizes and offer all-day kindergarten.
 - III. No plan to address shortfall of teachers necessary to implement class size reduction and all-day kindergarten.
 - IV. Although teachers received a "modest" salary increase in the 2015-2017 budget, there is no plan to implement a sustainable state-funded system to retain and attract quality educators.
 - V. A lack of a concrete plan to address levy reform.

Changes on the horizon include:

- Representative **Ross Hunter**, (D-48th LD) has resigned and has been appointed by the Governor to serve as the Director of the Department of Early Learning, leaving an open House seat here in the 48th.
- Senator **Brian Hatfield**, (D-19th LD) has resigned to become the Sector Lead for Rural Economic Development within the Department of Commerce, leaving an open Senate seat in the 19th.
- Senator **Jeannie Kohl-Welles**, (D-36th LD) announced in April that she is running to succeed Larry Phillips as the councilmember on the King County Council, potentially opening up the Senate seat for either Representative Reuven Carlyle or Rep. Gael Tarleton to consider seeking.
- Senator **Pam Roach** (R-31st LD) is planning to run for a seat on the Pierce County Council in 2016. Senator Roach has not ruled out holding both positions at once as Washington law doesn't preclude politicians from holding two elected offices simultaneously.
- Senator **Bruce Dammeier**, (R-25th LD) has announced that he is running for Pierce County Executive next year, though he has not resigned.
- Rep. **Hans Zeiger** (R-25th LD) has announced that he is interested in running for Dammeier's Senate seat.

In general, as lawmakers look forward to the 2016 session, a short 60-day session, it will be useful to understand what their approaches to the supplemental budgets (operating, capital and transportation) might be. Also, given the huge lift of passage the new transportation revenue package this past session, what do lawmakers feel is next in that arena? How is implementation going? What is on horizon?

As far as potential legislative priorities for the City Council's consideration goes, some discussion items might include:

1. **Lifting the 1% Property Tax Cap:** Continue advocacy of allowing both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation. Lifting the property tax cap could also generate significant revenue for the state to meet their McCleary obligations.
2. **Affordable Housing:** Continue advocacy for tools to provide affordable housing.
3. **Public Records Act Reform:** Find options that maintain transparency while mitigating the accumulating costs to local governments.
4. **Capital Budget Funding:** Continue advocacy for the Cross Kirkland Corridor connection to the Redmond Central Connector.
5. **Protect Shared Revenue and REET Flexibility**

This study session is intended to be a discussion and the items listed above are provided to help initiate a robust exchange of ideas with members of the City's state legislative delegation.



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033
425.587.3800 www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kathy Brown, Public Works Director

Date: August 28, 2015

Subject: NATIONAL POLLUTION PREVENTION WEEK PROCLAMATION –
SEPTEMBER 21-25, 2015

RECOMMENDATION:

It is recommended that the Mayor proclaim September 21-25, 2015 as National Pollution Prevention Week in Kirkland.

BACKGROUND DISCUSSION:

Each year the United States Environmental Protection Agency (EPA) acknowledges "National Pollution Prevention Week" in honor of the United States Congress passing the Pollution Prevention (P2) Act in 1990. This year, we celebrate 25 years of pollution prevention efforts of the EPA, its state and local partners, industry and the public.

The following explains why the P2 Act was necessary (taken from the "Findings" section):

- The United States of America annually produces millions of tons of pollution and spends tens of billions of dollars per year controlling this pollution.
- There are significant opportunities for industry to reduce or prevent pollution at the source through cost-effective changes in production, operation, and raw materials use.
- The opportunities for source reduction are often not realized because existing regulations, and the industrial resources they require for compliance, focus upon treatment and disposal, rather than source reduction.
- Source reduction is fundamentally different and more desirable than waste management and pollution control.

The Pollution Prevention Act establishes a national policy (implemented by EPA) stating:

- Pollution should be prevented or reduced at the source whenever feasible;
- Pollution that cannot be prevented should be recycled in an environmentally safe manner whenever feasible;



- Pollution that cannot be prevented or recycled should be treated in an environmentally safe manner whenever feasible; and
- Disposal or other release into the environment should be employed only as a last resort and should be conducted in an environmentally safe manner.

The City of Kirkland is fortunate to have a workforce that strives to meet these goals with programs that include, but are not limited to:

[Sewer & Septic](#)

- Food Service Waste Fats, Oil, and Grease (FOG) Inspections
- Emergency Sewer Program

[Storm & Surface Water](#)

- Private Stormwater Maintenance Program
- Business Pollution Prevention, including technical assistance with:
 - Stormwater pollution practices
 - Hazardous Waste storage and disposal
 - Spill Prevention and Response, including free spill kits & training
- Car Wash Kits for businesses and charities
- Pet Waste Outreach
- Vehicle Maintenance - Don't Drip and Drive
- Adopt-a-Drain - Public and Private Storm Drain Markers
- Water Quality & Flooding Investigations
- 24/7 Spill Response and Clean-up

[Kirkland Utilities - Water Information](#)

- Reclaimed Water Use for Maintenance Activities
- Water Shortage Contingency Plan

[Kirkland Public Works - Streets and Grounds Maintenance](#)

- Street Sweeping
- Cross Kirkland Corridor Maintenance
 - Electric vehicle liter patrol
 - Hand-pulling invasive weeds
- Bio-diesel mowers

[Kirkland Development Engineering Group](#)

- Public Works Development Review
- Construction Inspection, including Erosion Control

[Kirkland Solid Waste Division - Garbage and Recycling](#)

- Solid Waste, Recycling, and Compost Programs
- Styrofest, providing free collection and recycling of Styrofoam
- Hazardous/Dangerous/Other materials collection and recycling, including but not limited to:
 - Batteries
 - Smoke detectors
 - Compact fluorescent lightbulbs



- Residential Used Cooking Oil
- Plastic Bag Reduction Policy
- Waste Reduction Toolkit for Multifamily Property Managers
- Unwanted Medicine Disposal Program
- Recycling Hotline

[Planning & Building Department Home Page](#)

- Urban Forestry Strategic Management Plan
- Low Impact Development Regulations & Incentives
- Tree Management Regulations
- Shoreline Master Program
- Stream and Wetland Regulations
- Slope Protection and Erosion Control Regulations

[Kirkland Green - City Wide Green Initiatives](#)

- Kirkland Green Building Program
- Solarize Kirkland
- Urban Forest
- Natural Restoration Projects

[Police Drug Take Back Program and Lead Free Range - City Wide Green Initiatives](#)

- Drug Take Back Program – Drop off location at KJC prevents flushing of medicines into the Sound
- Lead Free Range keeps hazardous material out of the environment and away from employees

[Fire – Hazardous Materials Response Team](#)

- Fire Department Hazardous Materials Response Team responds to hazardous waste spills at accident scenes including sampling, product identification, radiation monitoring, containment, confinement capabilities, and decontamination.

Finally, enclosed within this packet is a proclamation for designating September 21-25, 2015 as National Pollution Prevention Week in the City of Kirkland. The Public Works Director will be on hand to receive the proclamation at the Tuesday, September 15th City Council meeting.



A PROCLAMATION OF THE CITY OF KIRKLAND

Designating September 21 - 27, 2015 as "National Pollution Prevention Week" in Kirkland, Washington

WHEREAS, the United States Environmental Protection Agency acknowledges "National Pollution Prevention Week" in honor of the United States Congress passing the Pollution Prevention Act in 1990; and

WHEREAS, the Pollution Prevention Act encourages pollution prevention by reducing or eliminating waste at the source by modifying production processes, promoting the use of nontoxic or less toxic substances, implementing conservation techniques, and reusing materials rather than putting them into the waste stream; and

WHEREAS, the City Council's Environment Goal is to protect the natural environment through integrated natural resource management; and

WHEREAS, the City of Kirkland is a leader implementing programs and processes to prevent pollution, such as, but not limited to, Local Source Control Business Audits, Free Spill Kit distribution, Spill Response and Clean-up, After-Hours Response, Food Service Waste Fats, Oil, and Grease (FOG) Inspections, Public Works Development Review and Inspection, Solid Waste, Recycling, and Compost, Styrofest Events, Kirkland Green Building, Solarize Kirkland, Cross Kirkland Corridor Maintenance, Street Sweeping, Stream and Wetland Management, Tree Management Regulations, Water Shortage Contingency Plan, Hazardous Materials Response, Drug Take-back Program, and a Lead-free Firing Range; and

WHEREAS, these services are provided by a diverse workforce with a variety of backgrounds and experience levels that share a common goal of protecting public health and the environment by reducing or eliminating pollutants or contaminants from entering any waste stream or our environment, including our wetlands, streams, and lakes; and

NOW, THEREFORE, I, Amy Walen, Mayor of Kirkland, do hereby proclaim the week of September 21 - 27, 2015 as "*National Pollution Prevention Week*" in the City of Kirkland, Washington, and call upon all citizens to protect natural resources by reducing and eliminating sources of pollution.

Signed this 15th day of September 2015

Amy Walen, Mayor



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033
425.587.3800 www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Ellen Miller-Wolfe, Economic Development Manager

Date: September 4, 2015

Subject: PROCLAIMING OCTOBER 2, 2015 AS MANUFACTURING DAY IN KIRKLAND, WASHINGTON

RECOMMENDATION:

It is recommended that the Mayor proclaim October 2, 2015 as Manufacturing Day in Kirkland, Washington.

BACKGROUND DISCUSSION:

Manufacturing Day is a national celebration that showcases manufacturers and employees, highlighting their work and energizing the future pipeline of skilled workers. This annual event sheds light on 21st century manufacturing with proclamations like this one and many other events and media coverage that underline this important sector and its contribution to the national economy.

It also is a time to consider the City's role in sustaining and growing the manufacturing sector and the challenges that this region faces in keeping manufacturing economically vital. In Kirkland, the City has maintained a level playing field, with zoning that balances the needs of manufacturers with those of technology companies. Kirkland works to make investments and advocate for improvements to infrastructure such as the 132nd ramps that were funded by the Legislature in the 2015 session, and also, including transit stops at NE 116th Street and 85th Street in the ST3 Potential Project List, to provide employees with improved transit access to Kirkland's largest manufacturing companies. Kirkland also has acknowledged concerns by manufacturers that there be more affordable housing options for their employees, and the City has responded by requiring affordable units in many areas of Kirkland and adopting a comprehensive list of affordable housing policies and incentives.

Terry Byington, Executive Director of Government and Industry Relations for the Lake Washington Institute of Technology, will attend the September 15, 2015 meeting of the City Council to accept the Manufacturing Day Proclamation on behalf of Kirkland manufacturing companies and Lake Washington Institute of Technology.



A PROCLAMATION OF THE CITY OF KIRKLAND

Proclaiming October 2, 2015 as "Manufacturing Day" in Kirkland, Washington

WHEREAS, manufacturing makes a significant contribution to the national, state and local economy; and

WHEREAS, the City of Kirkland is proud to be home to many world-class manufacturing companies that support regional business clusters, add to our local diverse economy and provide jobs for our residents; and

WHEREAS, Kirkland's Lake Washington Institute of Technology provides manufacturers region-wide with exceptionally skilled graduates; and

WHEREAS, Kirkland accounts for 18 percent of the property on the Eastside that is in industrial use for a total of 3,400,000 square feet of space; and

WHEREAS, over 1,200 employees or four percent of Kirkland's workforce is engaged in manufacturing jobs; and

WHEREAS, many of Kirkland's companies, such as Astronics Advanced Electronic Systems, DeYoung Manufacturing Inc., Nytec and Western Pneumatic Tube Company, are representative of the innovative manufacturing businesses in Kirkland that are major participants in our regional economy; and

WHEREAS, these companies exist side-by-side with newer, technology companies and have complementary areas of expertise; and

WHEREAS, it is in Kirkland's interest to cultivate this diverse economy and assist manufacturing companies in their efforts to attract employees by maintaining infrastructure and also supporting a variety of housing types to accommodate employees and their families;

WHEREAS, Manufacturing Day is designated as the first Friday of October and is an opportunity for manufacturers to showcase the potential of modern manufacturing and to foster interest in manufacturing careers,

NOW, THEREFORE, I, Amy Walen, Mayor of Kirkland, do hereby proclaim October 2, 2015 as Manufacturing Day in Kirkland and recognize the importance of the manufacturing community in Kirkland.

Signed this 15th day of September, 2015

Amy Walen, Mayor



KIRKLAND CITY COUNCIL SPECIAL MEETING MINUTES
August 3, 2015

1. CALL TO ORDER

2. ROLL CALL

ROLL CALL:

Members Present: Councilmember Jay Arnold, Councilmember Dave Asher,
Councilmember Shelley Kloba, Councilmember Doreen Marchione,
Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor
Amy Walen.

Members Absent: None.

3. STUDY SESSION

a. Preliminary 2015-2020 Capital Improvement Program

Deputy City Manager Tracey Dunlap provided an overview of the potential additions and/or reprioritizations of the projects in the 2015-2020 Capital Improvement Program. Parks and Community Services Director Jennifer Schroder reviewed Parks related projects and responded to Council questions and comment. Also joining the discussion was City Manager Kurt Triplett.

4. EXECUTIVE SESSION

None.

5. HONORS AND PROCLAMATIONS

None.

6. COMMUNICATIONS

a. Announcements

b. Items from the Audience

Jeff Lockhart
Alex Zimmerman

c. Petitions

7. SPECIAL PRESENTATIONS

- a. City Hall Renovation Project Update
Facilities Services Manager Chris Dodd and Architect Rex Bond with ARC Architects provided the Council with an update on the finishes, schedule, budget, seismic enhancements, sustainability and art component of the City Hall renovation.

8. CONSENT CALENDAR

- a. Approval of Minutes: July 21, 2015
- b. Audit of Accounts:
Payroll \$3,179,742.56
Bills \$3,599,138.10
run #1438 checks #563710 - 563756
run #1439 checks #563758 - 563914
run #1440 checks #563915 - 563934
run #1441 checks #563935 - 563966

- c. General Correspondence

- d. Claims

Claims received from Pouya Mirzaei and Laura Smith were acknowledged via approval of the consent calendar.

- e. Award of Bids

- (1) NE 124th St & Willows Rd Signal Rebuild Project, West Coast Signal, Inc., Renton, Washington

Award of the construction contract for the NE 124th Street & Willows Road NE Signal Rebuild Project to West Coast Signal, Inc., of Renton, WA, in the amount of \$128,248.00 via approval of the consent calendar.

- f. Acceptance of Public Improvements and Establishing Lien Period

- (1) 5th Avenue South, 6th Street and 7th Avenue South Utility Project
- (2) Annual Street Preservation Program Phase II Street Overlay Project

- g. Approval of Agreements

- (1) Resolution R-5139, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING PARTICIPATION BY THE CITY IN AN INTERLOCAL COOPERATIVE PURCHASING AGREEMENT WITH PIERCE COUNTY AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT ON BEHALF OF THE CITY OF KIRKLAND."

(2) Police Guild 2014-2016 Collective Bargaining Agreement

h. Other Items of Business

(1) Resolution R-5142, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE IMMEDIATE START OF SELECT PROJECTS IN THE PROPOSED 2015-2020 CAPITAL IMPROVEMENT PROGRAM (CIP) AND AUTHORIZING ADDITIONAL STAFF EXPENDITURES ASSOCIATED WITH THE PROPOSED 2015-2020 CIP."

(2) NE 85th Street Overlay Project - Pre-Award Contract

(3) Report on Procurement Activities

Motion to Approve the Consent Calendar.

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

9. PUBLIC HEARINGS

a. Resolution R-5140, Approving a Development Agreement Between the City of Kirkland and KPP Development LLC, for the Parkplace Development

Mayor Walen opened the public hearing. Department of Planning and Building Director Eric Shields reviewed the proposed agreement and resolution, and responded to Council questions and comment. Testimony was provided by Bill Leedom and Rich Hill. No further testimony was offered and the Mayor closed the hearing.

Motion to Approve Resolution R-5140, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF KIRKLAND AND KPP DEVELOPMENT LLC, FOR THE PARKPLACE DEVELOPMENT."

Moved by Councilmember Jay Arnold, seconded by Deputy Mayor Penny Sweet

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

b. Resolution R-5141, Affirming the Planning Director Decision Approving the Artoush Short Plat in Department of Planning and Community Development File No. SUB14-00283

Mayor Walen opened the public hearing. Department of Planning and Building Associate Planner Tony Leavitt reviewed the appeal of the Planning Director's approval filed by Bruce White and Teresa Chilelli-White, and responded to Council questions and comment. Public Works Engineering Manager Rob Jammerman also spoke to the issue of the access easement. Testimony was then provided by Teresa Chilelli-White. No further testimony was offered and the Mayor closed the hearing.

Motion to Approve Resolution R-5141, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AFFIRMING THE PLANNING DIRECTOR DECISION APPROVING THE ARTOUSH SHORT PLAT IN DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT FILE NO. SUB14-00283."

Moved by Deputy Mayor Penny Sweet, seconded by Councilmember Jay Arnold

Vote: Motion carried 6-1

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

No: Councilmember Toby Nixon.

Motion to suspend the Council rule of procedure, Section 25, related to a Process I appeal, to vote on the matter at the next meeting and instead vote on the application at this meeting.

Moved by Deputy Mayor Penny Sweet, seconded by Councilmember Doreen Marchione

Vote: Motion carried 5-2

Yes: Councilmember Jay Arnold, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

No: Councilmember Dave Asher, and Councilmember Toby Nixon.

10. UNFINISHED BUSINESS

a. Draft Parks & Street Levy Accountability Reports

Public Works Director Kathy Brown and Parks and Community Services Director Jennifer Schroder provided overviews of the draft reports.

Council recessed for a short break.

11. NEW BUSINESS

Mayor Walen requested and received the Council's approval to change the order of the items under New Business and consider Item 11.b. before Item 11.a.

a. Draft 20-Year Forest and Natural Areas Restoration Plan

Green Kirkland Partnership Supervisor Sharon Rodman reviewed the draft for Council feedback. The Plan will be brought back to Council at a future meeting for final consideration.

- b. Ordinance O-4488 and its Summary, Relating to Land Use; Approval of a Preliminary (And Final) PUD and Preliminary Subdivision as Applied for by Steve Anderson for the Plute Group in Department of Planning and Community Development File No. SUB14-01891 and ZON14-01888; and Setting Forth Conditions of Approval.

Planning and Building Department Associate Planner Tony Leavitt presented the recommendation of the Hearing Examiner for the proposed application.

Motion to Suspend the Council rule of procedure, Section 25, related to a Process I appeal, to vote on the matter at the next meeting and instead vote on the application at this meeting.

Moved by Councilmember Doreen Marchione, seconded by Deputy Mayor Penny Sweet

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

Motion to Approve Ordinance O-4488 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO LAND USE; APPROVAL OF A PRELIMINARY (AND FINAL) PUD AND PRELIMINARY SUBDIVISION AS APPLIED FOR BY STEVE ANDERSON FOR THE PULTE GROUP IN DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT FILE NO. SUB14-01891 AND ZON14-01888; AND SETTING FORTH CONDITIONS OF APPROVAL."

Moved by Deputy Mayor Penny Sweet, seconded by Councilmember Jay Arnold

Vote: Motion carried 6-1

Yes: Councilmember Jay Arnold, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

No: Councilmember Dave Asher.

12. REPORTS

a. City Council Reports

(1) Finance and Administration Committee

Did not meet.

(2) Legislative Committee

Chair Asher reported on an upcoming event for Kirkland's legislative delegation at the September 15 Study Session.

(3) Planning, and Economic Development Committee

Did not meet.

(4) Public Safety Committee

Did not meet.

(5) Public Works, Parks and Human Services Committee

Did not meet.

(6) Tourism Development Committee

Chair Nixon mentioned the tourism grant applicant presentations are on August 26.

(7) Regional Issues

Councilmembers shared information regarding attendance at the American City County Exchange meeting in San Diego; a tour of the new Google building; a King County Regional Law Safety and Justice Committee meeting; the ribbon cutting event at Madison House; several upcoming National Night Out events; the upcoming Summerfest event; the upcoming City of Kirkland Comprehensive Plan Open House event on August 13; the Junior League Softball Little League World Series at Everest Park; the King County GreenTools "The Good Wood Tour: FSC as a Green Building Solution" event; the Cascade Water Alliance "We Need Water Because..." Wall at Juanita Beach Park; a meeting of the King County Committee to End Homelessness Coordinating Committee; a King County Eastside Rail Corridor Regional Advisory Council meeting; a King County Eastside Transportation Partnership Planning Committee; a Cascade Water Alliance board meeting; a Puget Sound Regional Council Executive Board meeting; a ribbon cutting event at Essentials on Park Lane; continuing conversations about Sound Transit 3 with members of the Sound Transit Executive Board; a performance of the Studio East Teen Show: Beauty and the Beast at the Kirkland Performance Center.

b. City Manager Reports

(1) Calendar Update

City Manager Kurt Triplett reminded the Council that there would be no second City Council meeting in August. He noted the upcoming Google Community Celebration and Dedication of the Family Fitness and Play Area on the Cross Kirkland Corridor on August 31 and an August 24 Lunch and Learn session at Google about reclaimed water. The City Manager also updated the Council on a number of staff actions in connection with Sound Transit 3.

13. ITEMS FROM THE AUDIENCE

None.

14. ADJOURNMENT

The Kirkland City Council Special Meeting of August 3, 2015 was adjourned at 10:29 p.m.

City Clerk

Mayor



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES
September 1, 2015

1. CALL TO ORDER

2. ROLL CALL

ROLL CALL:

Members Present: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

Members Absent: None.

3. STUDY SESSION

a. Joint Meeting with Senior Council, Peter Kirk Room

Joining Councilmembers for this discussion were City Manager Kurt Triplett, Senior Council members Eric Mortenson, Barbara Flagg, Betty Stevens, Bill Hilton, Jim Hall, Dave Wagar, Penny Kahn, Brenda Kauffman, Sydne Mack, Kathy Iverson, Carolyn Kelso, Nancy Dosmann, and Elaine Darling.

4. EXECUTIVE SESSION

None.

5. HONORS AND PROCLAMATIONS

None.

6. COMMUNICATIONS

a. Announcements

b. Items from the Audience

Margaret Bull
Karl Voss
Sanjana Sridhar
Rayan Krishnan

c. Petitions

7. SPECIAL PRESENTATIONS

a. Best Starts for Kids - King County Presentation

Director of Regional Initiatives Diane Carlson and Director of Public Health - Seattle & King County Patty Hayes provided an overview of the Best Starts for Kids initiative.

b. Water Shortage Contingency Plan

Public Works Director Kathy Brown presented an update on regional efforts regarding water use curtailment and on the City's Water Shortage Contingency Plan. Public Works Water Division Manager Greg Neumann was also available to answer questions.

8. CONSENT CALENDAR

a. Approval of Minutes:

b. Audit of Accounts:

Payroll \$ 3,146,547.17

Bills \$ 8,232,881.97

run #1442 checks #563967 - 564107

run #1443 checks #564134 - 564287

run #1444 checks #564288 - 564420

run #1445 checks #564449 - 564626

run #1446 checks #564630 - 564650

run #1447 checks #564651 - 564690

run #1448 check #564691

run #1449 checks #564692 - 564695

run #1450 checks #564696 - 564802

c. General Correspondence

d. Claims

Claims received from Kareem Elaidy, Shirley Johns, Henry Luckenbaugh, the Northshore Fire Department, the Washington State Department of Transportation, and Jordan and Dawne Weisman were acknowledged via approval of the Consent Calendar.

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) Cross Kirkland Corridor Interim Trail, Rodarte Construction Inc., Auburn, Washington

The project work was accepted via approval of the Consent Calendar.

g. Approval of Agreements

h. Other Items of Business

(1) Ordinance O-4489 and its Summary, Relating to Zoning, Planning, and Land Use and Amending the Following Chapters of the Kirkland Zoning Code Relating to Multi-Family Parking Requirements: 30, 52, 53 and Approving a Summary Ordinance for Publication, File No. CAM13-02032.

(2) Streets Levy and Parks Levy Accountability Reports:

(a) Resolution R-5143, Adopting the 2014 Streets Levy Accountability Report for Proposition 1 - Streets And Pedestrian Safety Levy.

This item was pulled from the consent calendar for consideration under Unfinished Business, Item 10.c.

(b) Resolution R-5144, Adopting the 2014 Park Levy Accountability Report for Proposition 2 - Parks Maintenance, Restoration and Enhancement Levy.

This item was pulled from the consent calendar for consideration under Unfinished Business, Item 10.d.

(3) Park Board Resignation

The resignation of Frederick Ockerman was accepted via approval of the consent calendar.

(4) Transportation Commission Resignation and Appointment

The resignation of Glen Buhlmann and appointment of Kurt Ahrensfield was accepted via approval of the consent calendar.

(5) Report on Procurement Activities

Motion to Approve the Consent Calendar, with the exception of items 8.h.(2)(a) and 8.h.(2)(b) which were pulled for consideration under Unfinished Business.

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione
Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

9. PUBLIC HEARINGS

a. Preliminary 2015 to 2020 Capital Improvement Program

Mayor Walen explained the parameters of the public hearing and declared it open. Financial Planning Manager Tom Mikesell provided a presentation on the Preliminary 2015 to 2020 Capital Improvement Program. Testimony was provided by Scott Morris. No further testimony was offered and Mayor Walen closed the hearing.

10. UNFINISHED BUSINESS

a. NE 85th Street Overlay Project - Approve Channelization Plan

Public Works Capital Project Manager Dave Snider provided the Council with a presentation on the Channelization Plan for the NE 85th Street Overlay Project and responded to questions.

Motion to Approve the channelization plan for the 85th Street Corridor.

Moved by Deputy Mayor Penny Sweet, seconded by Councilmember Dave Asher
Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

Motion to Approve to increase the budget of the NE 85h Street Overlay Project by \$500,000 using the remaining Street Preservation funds, as presented by staff.

Moved by Councilmember Dave Asher, seconded by Deputy Mayor Penny Sweet
Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

b. Resolution R-5145, Approving the Addition of Policies on Council Committees, Proclamations, Board and Commission Appointments to the City of Kirkland City Council Policies and Procedures, and Readopting All of the Council Policies and Procedures.

Councilmember Asher proposed several minor edits that were accepted as changes to the draft resolution.

Motion to Approve Resolution R-5145, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE ADDITION OF POLICIES ON COUNCIL COMMITTEES, PROCLAMATIONS, BOARD AND COMMISSION APPOINTMENTS TO THE CITY OF KIRKLAND CITY COUNCIL POLICIES AND PROCEDURES, AND READOPTING ALL OF THE COUNCIL POLICIES AND PROCEDURES," incorporating the edits provided by Councilmember Asher to the Council.

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

- c. Resolution R-5143, Adopting the 2014 Streets Levy Accountability Report for Proposition 1 - Street and Pedestrian Safety Levy.

Councilmember Asher proposed several corrections that were accepted as changes to the Streets Levy Accountability Report.

Motion to Approve Resolution R-5143, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE 2014 STREETS LEVY ACCOUNTABILITY REPORT FOR PROPOSITION 1 - STREETS AND PEDESTRIAN SAFETY LEVY," incorporating the edits provided by Councilmember Asher to the Council.

Moved by Deputy Mayor Penny Sweet, seconded by Councilmember Dave Asher
Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

- d. Resolution R-5144, Adopting the 2014 Park Levy Accountability Report for Proposition 2 - Parks Maintenance, Restoration and Enhancement Levy.

Councilmember Asher proposed a correction that was accepted as a change to the Park Levy Accountability Report.

Motion to Approve Resolution R-5144, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE 2014 PARK LEVY ACCOUNTABILITY REPORT FOR PROPOSITION 2 - PARKS MAINTENANCE, RESTORATION AND ENHANCEMENT LEVY," incorporating the edit provided by Councilmember Asher to the Council.

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

Council recessed for a short break.

11. NEW BUSINESS

- a. Cross Kirkland Corridor Eco-Charrette Summary

Urban Forester Deb Powers and EnviroIssues Project Manager Ryan Orth provided Council a summary of the recent interactive workshop focused on developing

environmental strategies to supplement the adopted Cross Kirkland Corridor Master Plan.

- b. Resolution R-5146, Naming a City Open Space as Josten Park.

Motion to Approve Resolution R-5146, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND NAMING A CITY OPEN SPACE AS JOSTEN PARK."

Moved by Councilmember Doreen Marchione, seconded by Deputy Mayor Penny Sweet

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

- c. Ordinance O-4490 and its Summary, Relating to the Issuance and Sale of a Limited Tax General Obligation Bond of the City in the Principal Amount of Not to Exceed \$6,000,000 to Provide Funds for a Portion of the Remodel of City Hall and Pay for Costs of Issuance of the Bond; Authorizing the Sale of the Bond; and Authorizing the Designated Representative to Make Certain Determinations and Appointments With Respect to the Bond Under the Terms and Conditions Set Forth Herein.

Director of Finance and Administration Michael Olson presented a summary of the proposed bond ordinance to Council.

Motion to Approve Ordinance O-4490 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE ISSUANCE AND SALE OF A LIMITED TAX GENERAL OBLIGATION BOND OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000 TO PROVIDE FUNDS FOR A PORTION OF THE REMODEL OF CITY HALL AND PAY FOR COSTS OF ISSUANCE OF THE BOND; AUTHORIZING THE SALE OF THE BOND; AND AUTHORIZING THE DESIGNATED REPRESENTATIVE TO MAKE CERTAIN DETERMINATIONS AND APPOINTMENTS WITH RESPECT TO THE BOND UNDER THE TERMS AND CONDITIONS SET FORTH HEREIN."

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

- d. Ordinance O-4491 and its Summary, Relating to Departmental Organization; Changing the Name of the Planning and Community Development Department to the Planning and Building Department; Changing the Name of the Fire and Building Department to the Fire Department; Amending Kirkland Municipal Code Sections 3.20.040, 15.16.047, 21.74.010, 21.74.025 and 21.74.030 to Reflect Name Changes; Updating Other Obsolete References; and Authorizing the City's Code Reviser to

Make Changes Over Time to All References in the Kirkland Municipal Code and Kirkland Zoning Code Necessary to Reflect These Name Changes.

Motion to Approve Ordinance O-4491 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO DEPARTMENTAL ORGANIZATION; CHANGING THE NAME OF THE PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT TO THE PLANNING AND BUILDING DEPARTMENT; CHANGING THE NAME OF THE FIRE AND BUILDING DEPARTMENT TO THE FIRE DEPARTMENT; AMENDING KIRKLAND MUNICIPAL CODE SECTIONS 3.20.040, 15.16.047, 21.74.010, 21.74.025 AND 21.74.030 TO REFLECT NAME CHANGES; UPDATING OTHER OBSOLETE REFERENCES; AND AUTHORIZING THE CITY'S CODE REVISER TO MAKE CHANGES OVER TIME TO ALL REFERENCES IN THE KIRKLAND MUNICIPAL CODE AND KIRKLAND ZONING CODE NECESSARY TO REFLECT THESE NAME CHANGES."

Moved by Councilmember Dave Asher, seconded by Deputy Mayor Penny Sweet
Vote: Motion carried 7-0

Yes: Councilmember Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Doreen Marchione, Councilmember Toby Nixon, Deputy Mayor Penny Sweet, and Mayor Amy Walen.

12. REPORTS

a. City Council Reports

(1) Finance and Administration Committee

Chair Marchione reported on an overview of the Park and Transportation Impact Fee rate study; the exit conference for the 2014 Audit and the receipt of the State Auditors Stewardship Award.

(2) Legislative Committee

Chair Asher reported on the upcoming event with Kirkland's legislative delegation on September 15.

(3) Planning, and Economic Development Committee

Did not meet.

(4) Public Safety Committee

Did not meet.

(5) Public Works, Parks and Human Services Committee

Chair Kloba reported on the 85th Street Channelization; the Parks and Community Services Department and Public Works Department pesticides

policies; North Juanita Open Space Park; a briefing paper on the reclaimed water luncheon.

(6) Tourism Development Committee

Chair Nixon reported on tourism grant application presentations.

(7) Regional Issues

City Councilmembers shared information regarding National Night Out; a Camp Unity Eastside visit; the Police Service Awards and Swearing In Ceremony; the Google Community Celebration and Dedication of the Family Fitness and Play Area on the Cross Kirkland Corridor; John Muir Elementary Open House; an upcoming Sound Cities Association Public Issues Committee Meeting; the 2014 Audit Exit Conference; the Juanita Neighborhood Picnic; a King County Mental Illness and Drug Dependency Oversight Committee meeting; the upcoming Eastside Timebank Annual Auction; a Coordinating Committee meeting for the Committee to End Homelessness; the monthly Greater Kirkland Chamber of Commerce Business Luncheon; a Puget Sound Regional Council "Smart Buildings for Cities" Workshop; an Eastside Transportation Partnership letter to Sound Transit; a Sound Transit Executive Committee meeting; the Sound Transit Board Meeting; a Metropolitan Solid Waste Management Advisory Committee meeting; a reception for Ambassador Michael Michalak and his wife; the United State Submarine Veterans "Tolling the Boats" ceremony; a Northend Mayor's meeting with Councilmember Rod Dembowski.

b. City Manager Reports

City Manager Kurt Triplett provided a little more information about the proposed seismic work on the City Hall remodel and the proposed bond. City Manager Triplett also thanked the Council for their efforts on the Sound Transit issues and requested permission to bring back a funding request for some preliminary design work on some proposals for Sound Transit.

(1) Calendar Update

City Manager Kurt Triplett reminded Council of the All-City Dinner on September 17; the neighborhood meeting with the Moss Bay/Lakeview Neighborhood; and asked the Council on if they wanted staff to bring back a resolution of support for the King County Best Starts for Kids initiative.

Deputy Mayor Sweet requested and received Council permission to bring the issue of Sunday parking enforcement to the Planning and Economic Development Committee.

13. ITEMS FROM THE AUDIENCE

None.

14. ADJOURNMENT

The Kirkland City Council regular meeting of September 1, 2015, was adjourned at 10:05 p.m.

City Clerk

Mayor



CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Kathi Anderson, City Clerk
Date: September 3, 2015
Subject: CLAIM(S) FOR DAMAGES

RECOMMENDATION

It is recommended that the City Council acknowledge receipt of the following Claim(s) for Damages and refer each claim to the proper department (risk management section) for disposition.

POLICY IMPLICATIONS

This is consistent with City policy and procedure and is in accordance with the requirements of state law (RCW 35.31.040).

BACKGROUND DISCUSSION

The City has received the following Claim(s) for Damages from:

- (1) 120 Park LLC c/o Rosen Properties
PO Box 5003
Bellevue, WA 98009-5003

Amount: Unspecified Amount

Nature of Claim: Claimant states damage to property resulted from demolition work done during the Park Lane renovation.

- (2) George Lebasis
22720 105th Avenue W.
Edmonds, WA 98020

Amount: Unspecified Amount

Nature of Claim: Claimant states damage to vehicle resulted from hitting an unmarked island barrier on 132nd Avenue NE.

Note: Names of claimants are no longer listed on the Agenda since names are listed in the memo.



CITY OF KIRKLAND
Department of Public Works
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
 www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Aparna Khanal, P.E., Project Engineer
David Snider, P.E., Capital Projects Manager
Kathy Brown, Public Works Director

Date: September 3, 2015

Subject: 6TH STREET SOUTH SIDEWALK PROJECT - AWARD CONTRACT

RECOMMENDATION:

Staff recommends that City Council award the construction contract for the 6th Street South Sidewalk Project to Kamins Construction of Bothell, WA, in the amount of \$319,339.22.

By taking action on this memo during approval of the consent calendar, City Council is authorizing the award of a construction contract for the subject Project.

BACKGROUND DISCUSSION:

The 6th Street South Sidewalk Project includes construction of new concrete sidewalk, curb and gutter, with ADA upgrades, signage, and drainage improvement along the west side of 6th Street South from Kirkland Avenue to the existing sidewalk in the 500 block of 6th Street South. The completion of the Project will result in a continuous sidewalk on west side of 6th Street South, connecting the Norkirk Neighborhood to the Central Houghton Neighborhood and beyond.

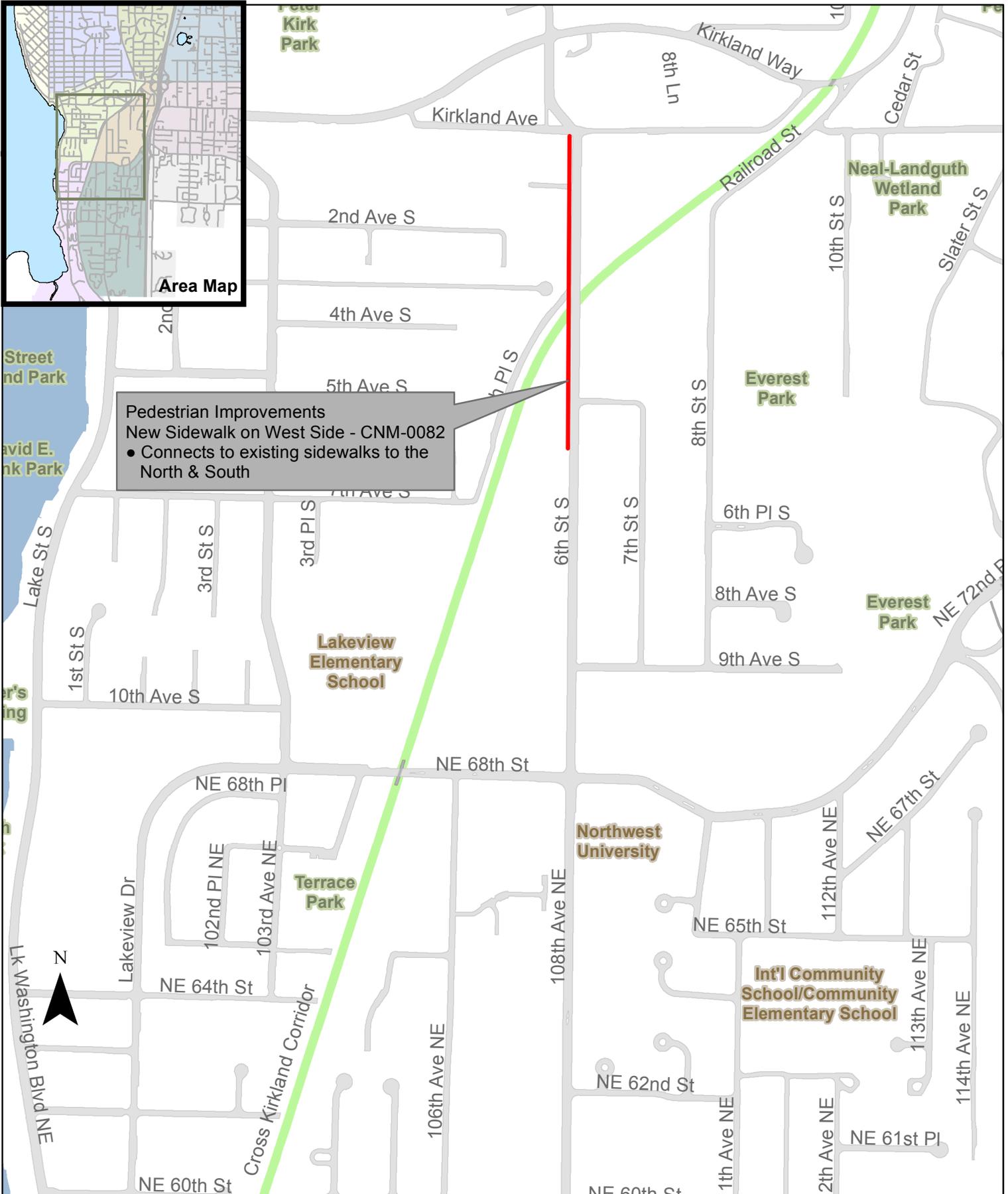
The Project is funded in part by a Transportation Improvement Board (TIB) grant with an initial grant amount for \$250,000, plus a developer contribution of \$333,100 (in support of the Google expansion) for a total Project budget of \$583,100.

With an engineer's estimate of \$347,000 for construction, the Project was first advertised for contractor bids on August 11. Bids were opened on August 25, 2015, with the City receiving three (3) contractor bids, as shown:

Contractor	Total Bid
Kamins Construction	\$319,339.22
Agostino Construction, Inc.	\$326,253.00
Road Construction Northwest, Inc	\$337,596.00
<i>Engineer's Estimate</i>	<i>\$347,000.00</i>

With an award of the contract by City Council at their September 15 meeting, construction would start as soon as early October, with an anticipated completion in December, 2015. In advance of the work, staff will update all Project information on the City's web site, including a regularly updated construction timeline.

Attachment A – Vicinity Map
Attachment B – Project Budget Report

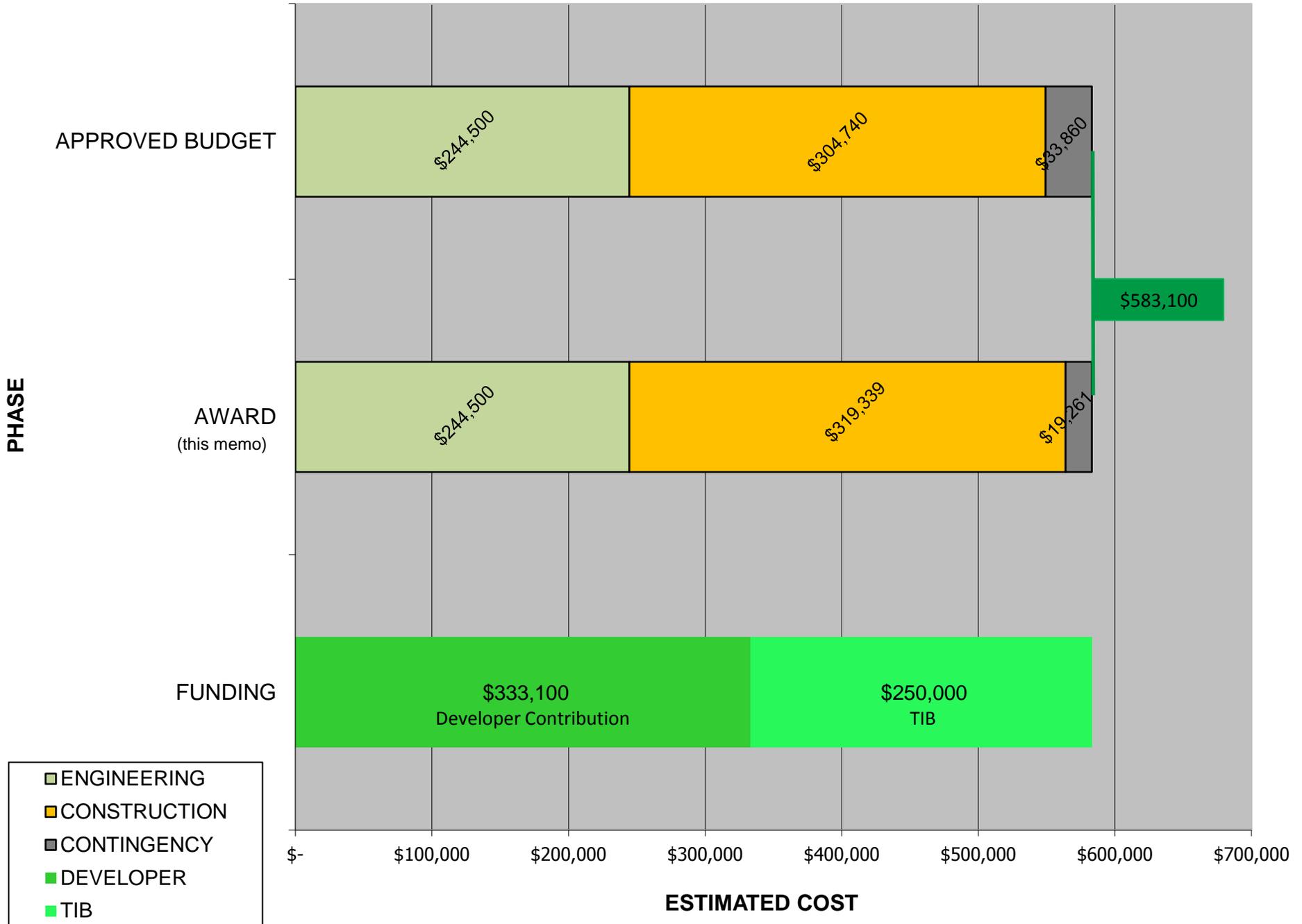


Vicinity Map
 6th Street South Improvements

6TH STREET SOUTH PEDESTRIAN IMPROVEMENT PROJECT (CNM - 0082)

Attachment B

PROJECT BUDGET REPORT





CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Brenda Cooper, Chief Information Officer
Oskar Rey, Assistant City Attorney
Kyle Butler, Budget Analyst

Date: August 21, 2015

Subject: First Reading of Renewal Franchise for XO Communications Services, LLC

RECOMMENDATION:

That the City Council approves the first reading of the attached ordinance, which renews the Franchise of XO Communications Services, LLC ("XOCS"). The first reading is approved by adoption of the consent calendar with this item included.

BACKGROUND DISCUSSION:

On March 26, 2000, the City granted Nextlink, now operating as XCOS, a telecommunications franchise that authorized XCOS to place its facilities in City right of way. The 2000 Franchise had an initial term of ten years with one five year renewal option, which was exercised by the parties. The 2000 Franchise has expired, so a renewal franchise is required.

Franchises are typically granted to telephone, internet, and other communications providers. There are a number of other similar franchises in the City. A telecommunications franchise grants the franchisee the authority to use the City's right of way to provide telecommunications services. Franchisees may be subject to a variety of fees associated with the act of building facilities in the rights of way, and having these facilities inspected. However, because the services offered are classified as "information services" by the Federal Communications Commission, they are not subject to the type of franchise fee that cable television providers pay. For example, Comcast and Frontier both pay a 5% franchise fee for the cable television portion of their revenue.

The language in the Ordinance reflects updates staff made in 2012 to match current law and to reflect modern terminology. In other ways it is substantially similar to other telecommunications franchises issued by the City to other providers. The franchise has a ten year term, which will expire in October 2025, if approved at the October 6, 2015, council meeting. It also has a provision for an additional five-year extension. This is the normal term offered to telecommunications franchisees. There are multiple similar franchises in the City, including telecommunications franchises for AboveNet, Astound Broadband, Level 3, MCI (MFS), and MetroNet Fiber Washington.

Under RCW 35A.47.040, the City Council may not adopt a franchise until five days after its introduction. As a result, City staff recommends that Council approve the first reading of the attached Ordinance at this meeting. If Council has concerns about the Ordinance or wants to propose revisions to it, those issues should be addressed at that first reading so that staff can address them prior to bringing the Ordinance back to Council for final adoption. Council can achieve this by moving this item off of the consent calendar and moving it to new business. If there are not proposed changes, City staff will bring back the Ordinance for final adoption on October 6, 2015.

ORDINANCE O-4492

AN ORDINANCE OF THE CITY OF KIRKLAND GRANTING XO COMMUNICATIONS SERVICES, LLC A NON-EXCLUSIVE FRANCHISE FOR THE TRANSMISSION OF TELECOMMUNICATIONS IN, THROUGH, OVER AND UNDER THE STREET RIGHTS OF WAY OF THE CITY OF KIRKLAND.

1 WHEREAS, XO COMMUNICATIONS SERVICES, LLC ("Grantee")
2 has requested that the City grant it the right to install, operate and
3 maintain a fiber optic-based telecommunications system within the
4 public rights of way of the City; and

5
6 WHEREAS, the City Council finds it desirable for the welfare of
7 the City and its residents that such a non-exclusive franchise be granted
8 to Grantee; and

9
10 WHEREAS, the City Council has the authority under state law to
11 grant franchises for the use of its street rights of way; and

12
13 WHEREAS, the City is willing to grant the rights requested by
14 Grantee subject to certain terms and conditions.

15
16 NOW, THEREFORE, The City Council of the City of Kirkland does
17 ordain as follows:

18 Section 1. Definitions. Where used in this franchise (the
19 "Franchise") these terms have the following meanings:

20
21 A. "Affiliate" means XO Communications Services, LLC
22 ("Grantee") on behalf of itself and its XO operating affiliates to the
23 extent such operating affiliate(s) directly provides Telecommunications
24 Service(s) hereunder.

25
26 B. "City" means the City of Kirkland, a municipal corporation of
27 the State of Washington.

28
29 C. "Facilities" means Grantee's fiber optic cable system
30 constructed and operated within the City's street rights of way, and shall
31 include all cables, wires, conduits, ducts, pedestals and any associated
32 converter, equipment or other facilities within the City's street rights of
33 way, designed and constructed for the purpose of providing
34 telecommunications service.

35
36 D. "Franchise" shall mean the initial authorization or renewal
37 thereof, granted by the City, through this Ordinance, or a subsequently
38 adopted Ordinance, which authorizes construction and operation of the

39 Grantee's facilities for the purpose of offering telecommunications
40 service.

41

42 E. "Franchise Area" means the present municipal boundaries of
43 the City, and shall include any additions thereto by annexation or other
44 legal means.

45

46 F. "Person" means an individual, partnership, association, joint
47 stock company, trust, corporation, limited liability company or
48 governmental entity.

49

50 G. "Right of Way" means the surface and the space above and
51 below streets, roadways, highways, avenues, courts, lanes, alleys,
52 sidewalks, rights of way and similar public areas, but does not include
53 the portion of the Eastside Rail Corridor (a rail corridor that has been
54 railbanked pursuant to 16 U.S.C. 1247(d)) within the City.

55

56 H. "Telecommunications Service" means any
57 telecommunications service, telecommunications capacity, or dark fiber,
58 provided by the Grantee using its Facilities, either directly or as a carrier
59 for its Affiliates, or any other person engaged in Telecommunications
60 Services, including, but not limited to, the transmission of voice, data or
61 other electronic information, facsimile reproduction, burglar alarm
62 monitoring, meter reading and home shopping, or other subsequently
63 developed technology that carries an electronic signal over fiber optic
64 cable. Telecommunications Service shall also include non-switched,
65 dedicated and private line, high capacity fiber optic transmission
66 services to firms, businesses or institutions within the City. However,
67 Telecommunications Service shall not include the provision of cable
68 television, open video, or similar services, as defined in the
69 Communications Act of 1934, as amended, and the Telecommunications
70 Act of 1996, as amended, for which a separate franchise would be
71 required.

72

73 Section 2. Franchise Area and Authority Granted.

74

75 A. Facilities within Franchise Area. The City does hereby grant
76 to Grantee the right, privilege, authority and franchise to construct,
77 support, attach, connect and stretch Facilities between, maintain, repair,
78 replace, enlarge, operate and use Facilities in, upon, over, under, along
79 and across rights of way in the Franchise Area for purposes of
80 telecommunications service as defined in RCW 82.04.065.

81

82 B. Permission Required to Enter Onto Other City Property.
83 Nothing contained in this Ordinance is to be construed as granting
84 permission to Grantee to go upon any other public place other than
85 rights of way within the Franchise Area in this Ordinance. Permission to

86 go upon any other property owned or controlled by the City must be
87 sought on a case by case basis from the City.

88
89 C. Compliance with WUTC Regulations. At all times during the
90 term of this Franchise, Grantee shall fully comply with all applicable
91 regulations of the Washington Utilities and Transportation Commission.

92
93 Section 3. Construction and Maintenance.

94
95 A. Grantee's Facilities shall be located, relocated and
96 maintained within the right of way in accordance with Kirkland Municipal
97 Code ("KMC") Chapter 26.36 and so as not to unreasonably interfere
98 with the free and safe passage of pedestrian and vehicular traffic and
99 ingress or egress to or from the abutting property and in accordance
100 with the laws of the State of Washington. Whenever it is necessary for
101 Grantee, in the exercise of its rights under this Franchise, to make any
102 excavation in the right of way, Grantee shall obtain prior approval from
103 the City of Kirkland Public Works Department, pay the applicable permit
104 fees, and obtain any necessary permits for the excavation work
105 pursuant to KMC Title 19 and KMC Chapter 26.24. Upon completion of
106 such excavation, Grantee shall restore the surface of the right of way to
107 the specifications established within the Kirkland Municipal Code and
108 City of Kirkland Public Works Policies and Standards. If Grantee should
109 fail to leave any portion of the excavation in a condition that meets the
110 City's specifications per the KMC and Public Works Policies and
111 Standards, the City may, on five calendar day notice to Grantee, which
112 notice shall not be required in case of an emergency, cause all work
113 necessary to restore the excavation to a safe condition. Grantee shall
114 pay to the City the reasonable cost of such work; which shall include,
115 among other things, the City's overhead in obtaining completion of said
116 work.

117
118 B. Any surface or subsurface failure occurring during the term
119 of this Agreement caused by any excavation by Grantee shall be
120 repaired to the City's specifications, within 30 days, or, upon 5 days
121 written notice to Grantee, the City shall order all work necessary to
122 restore the damaged area to a safe and acceptable condition and
123 Grantee shall pay the reasonable costs of such work to the City,
124 including City overhead.

125
126 C. In the event of an emergency, Grantee may commence such
127 repair and emergency response work as required under the
128 circumstances, provided that Grantee shall notify the City Public Works
129 Director in writing as promptly as possible before such repair or
130 emergency work commences, or as soon thereafter as possible, if
131 advanced notice is not possible. The City may act, at any time, without
132 prior written notice in the case of an emergency, but shall notify Grantee
133 in writing as promptly as possible under the circumstances.

134 D. Grantee agrees that if any of its actions under this Franchise
135 materially impair or damage any City property, survey monument, or
136 property owned by a third-party, Grantee will restore, at its own cost
137 and expense, the impaired or damaged property to the same condition
138 as existed prior to such action. Such repair work shall be performed
139 and completed to the reasonable satisfaction of the Public Works
140 Director.

141

142 Section 4. Location and Relocation of Facilities.

143

144 A. Grantee shall place any new Facilities underground where
145 existing telecommunications and cable facilities are located
146 underground. Any new Facilities to be located above-ground shall be
147 placed on existing utility poles. No new utility poles shall be installed in
148 connection with placement of new above-ground facilities.

149

150 B. Grantee recognizes the need for the City to maintain
151 adequate width for installation and maintenance of sanitary sewer,
152 water and storm drainage utilities owned by the City, the Northshore
153 Utility District and other public utility providers. Thus, the City reserves
154 the right to maintain clear zones within the public right-of-way for
155 installation and maintenance of said utilities. The clear zones for each
156 right-of-way segment shall be noted and conditioned with the issuance
157 of each right-of-way permit. If adequate clear zones are unable to be
158 achieved on a particular right-of-way, Grantee shall locate in an
159 alternate right-of-way, obtain easements from private property owners,
160 or propose alternate construction methods which maintain and/or
161 enhance the existing clear zones.

162

163 C. Except as otherwise required by law, Grantee agrees to
164 relocate, remove or reroute its facilities as ordered by the City, at no
165 expense or liability to the City, except as may be required by RCW
166 Chapter 35.99. The City's decision to require the relocation of Grantee's
167 facilities shall be made in a reasonable, uniform and non-discriminatory
168 manner. Pursuant to the provision of Section 5, Grantee agrees to
169 protect and save harmless the City from any customer or third-party
170 claims for service interruption or other losses in connection with any
171 such change or relocation.

172

173 D. If the City determines that a project necessitates the
174 relocation of the Grantee's existing Facilities, then:

175

176 1. Within a reasonable time, which shall be no less than 90
177 days prior to the commencement of the project, the City shall
178 provide the Grantee with written notice requiring relocation;
179 provided that in the event of an emergency beyond the control
180 of the City and which will result in severe financial consequences

181 to the City or its citizens or businesses, the City shall give the
182 Grantee written notice as soon as practicable;

183
184 2. The City shall provide the Grantee with copies of
185 information for such improvement project and a proposed
186 location for the Grantee's Facilities so that Grantee may relocate
187 its Facilities in other Rights of Way in order to accommodate the
188 project; and

189
190 3. The Grantee shall complete relocation of its Facilities at
191 no charge or expense to the City so as to accommodate the
192 project at least 10 days prior to commencement of the project.
193 In the event of an emergency as described in this Section, the
194 Grantee shall relocate its Facilities within the time period
195 specified by the City.

196
197 E. The Grantee may, after receipt of written notice requesting
198 a relocation of its Facilities, submit to the City written alternatives to
199 such relocation. The City shall evaluate such alternatives and advise
200 the Grantee in writing if one or more of the alternatives are suitable to
201 accommodate the work, which would otherwise necessitate relocation
202 of the Facilities. If so requested by the City, the Grantee shall submit
203 additional information to assist the City in making such evaluation. The
204 City shall give each alternative proposed by the Grantee full and fair
205 consideration, within a reasonable time, so as to allow for the relocation
206 work to be performed in a timely manner. In the event the City
207 ultimately determines that there is no other reasonable alternative, the
208 Grantee shall relocate its Facilities as otherwise provided in this Section.

209
210 F. The provisions of this Section shall in no manner preclude or
211 restrict the Grantee from making any arrangements it may deem
212 appropriate when responding to a request for relocation of its Facilities
213 by any person or entity other than the City, where the Facilities to be
214 constructed by said person or entity are not or will not become City-
215 owned, operated or maintained Facilities; provided, that such
216 arrangements shall not unduly delay a City construction project.

217
218 G. The Grantee shall indemnify, hold harmless and pay the
219 costs of defending the City against any and all claims, suits, actions,
220 damages, or liabilities for delays on City construction projects caused by
221 or arising out of the failure of the Grantee to relocate its Facilities in a
222 timely manner; provided, that the Grantee shall not be responsible for
223 damages due to delays caused by the City or circumstances beyond the
224 control of the Grantee.

225
226 H. In the event that the City orders the Grantee to relocate its
227 Facilities for a project which is primarily for private benefit, the private
228 party or parties causing the need for such project shall reimburse the

229 Grantee for the cost of relocation in the same proportion as their
230 contribution to the total cost of the project.

231

232 I. In the event of an unforeseen emergency that creates a
233 threat to public safety, health or welfare, the City may require the
234 Grantee to relocate its Facilities at its own expense, any other portion
235 of this Section notwithstanding.

236

237 Section 5. Indemnification.

238

239 A. Grantee shall indemnify, defend and hold the City, its agents,
240 officers, employees, volunteers and assigns harmless from and against
241 any and all claims, demands, liability, loss, cost, damage or expense of
242 any nature whatsoever, including all costs and attorney's fees, made
243 against them on account of injury, sickness, death or damage to persons
244 or property which is caused by or arises out of, in whole or in part, the
245 willful, tortious or negligent acts, failures and/or omissions of Grantee
246 or its agents, servants, employees, contractors, subcontractors or
247 assigns in the construction, operation or maintenance of its Facilities or
248 in exercising the rights granted Grantee in this Franchise; *provided,*
249 *however,* such indemnification shall not extend to injury or damage
250 caused by the negligence or willful misconduct of the City, its agents,
251 officers, employees, volunteers or assigns.

252

253 B. In the event any such claim or demand be presented to or
254 filed with the City, the City shall promptly notify Grantee thereof, and
255 Grantee shall have the right, at its election and at its sole cost and
256 expense, to settle and compromise such claim or demand, provided
257 further, that in the event any suit or action be begun against the City
258 based upon any such claim or demand, the City shall likewise promptly
259 notify Grantee thereof, and Grantee shall have the right, at its election
260 and its sole cost and expense, to settle and compromise such suit or
261 action, or defend the same at its sole cost and expense, by attorneys of
262 its own election.

263

264 Section 6. Default.

265

266 A. If Grantee shall fail to comply with any of the provisions of
267 this Franchise, unless otherwise provided in this Franchise, the City may
268 serve upon Grantee a written order to comply within thirty (30) days
269 from the date such order is received by Grantee. If Grantee is not in
270 compliance with this Franchise after expiration of the thirty (30) day
271 period, the City may act to remedy the violation and may charge the
272 reasonable costs and expenses of such action to Grantee. The City may
273 act without the thirty (30) day notice in case of an emergency. If any
274 failure to comply with this Franchise by Grantee cannot be corrected
275 with due diligence within said thirty (30) day period, then the time within
276 which Grantee may so comply shall be extended for such time as may

277 be reasonably necessary and so long as Grantee works promptly and
278 diligently to effect such compliance. If Grantee is not in compliance with
279 this Franchise, and is not proceeding with due diligence in accordance
280 with this section to correct such failure to comply, then the City may in
281 addition, by ordinance and following written notice to Grantee, declare
282 an immediate forfeiture of this Franchise.

283
284 B. In addition to other remedies provided in this Franchise or
285 otherwise available at law, if Grantee is not in compliance with
286 requirements of the Franchise, and if a good faith dispute does not exist
287 concerning such compliance, the City may place a moratorium on
288 issuance of pending Grantee right-of-way use permits until compliance
289 is achieved.

290
291 Section 7. Nonexclusive Franchise. This franchise is not and
292 shall not be deemed to be an exclusive Franchise. This Franchise shall
293 not in any manner prohibit the City from granting other and further
294 franchises over, upon, and along the Franchise Area. This Franchise
295 shall not prohibit or prevent the City from using the Franchise Area or
296 affect the jurisdiction of the City over the same or any part thereof.

297
298 Section 8. Franchise Term.

299
300 A. This Franchise is and shall remain in full force and effect for
301 a period of ten (10) years from and after the effective date of the
302 Ordinance, provided that the term may be extended for an additional
303 five (5) years upon the agreement of Grantee and the City; and provided
304 further, however, Grantee shall have no rights under this Franchise nor
305 shall Grantee be bound by the terms and conditions of this Franchise
306 unless Grantee shall, within thirty (30) days after the effective date of
307 the Ordinance, file with the City its written acceptance of this Franchise,
308 in a form acceptable to the City Attorney.

309
310 B. If the City and Grantee fail to formally renew this Franchise
311 prior to the expiration of its term or any extension thereof, this Franchise
312 shall automatically continue in full force and effect until renewed or until
313 either party gives written notice at least one hundred eighty (180) days
314 in advance of intent not to renew this Franchise.

315
316 Section 9. Compliance with Codes and Regulations.

317
318 A. The rights, privileges and authority herein granted are
319 subject to and governed by this ordinance and all other applicable
320 ordinances and codes of the City of Kirkland, as they now exist or may
321 hereafter be amended, including but not limited to the provisions of
322 Kirkland Municipal Code Title 26 and Kirkland Municipal Code Chapter
323 5.08. Nothing in this ordinance limits the City's lawful power to exercise
324 its police power to protect the safety and welfare of the general public.

325 Any location, relocation, erection or excavation by Grantee shall be
326 performed by Grantee in accordance with applicable federal, state and
327 city rules and regulations, including the City's Public Works Policies and
328 Standard Plans, and any required permits, licenses or fees, and
329 applicable safety standards then in effect.

330

331 B. In the event that any territory served by Grantee is annexed
332 to the City after the effective date of this Franchise, such territory shall
333 be governed by the terms and conditions contained herein upon the
334 effective date of such annexation.

335

336 Section 10. Undergrounding. New Facilities shall be installed
337 underground pursuant to Section 4 of this Franchise. Grantee
338 acknowledges the City's policy of undergrounding of Facilities within the
339 Franchise Area. Grantee will cooperate with the City in the
340 undergrounding of Grantee's existing Facilities within the Franchise Area.
341 If during the term of this Franchise, the City shall direct Grantee to
342 underground Facilities within any Franchise Area, such undergrounding
343 shall be at no cost to the City except as may be provided in RCW Chapter
344 35.99. Grantee shall comply with all federal, state, and City regulations
345 on undergrounding. If the City undertakes any street improvement
346 which would otherwise require relocation of Grantee's above-ground
347 facilities, the City may, by written notice to Grantee, direct that Grantee
348 convert any such Facilities to underground Facilities.

349

350 Section 11. Record of Installations and Service.

351

352 A. With respect to excavations by Grantee and the City within
353 the Franchise Area, Grantee and the City shall each comply with its
354 respective obligations pursuant to Chapter 19.122 RCW and any other
355 applicable state law.

356

357 B. Upon written request of the City, Grantee shall provide the
358 City with the most recent update available of any plan of potential
359 improvements to its Facilities within the Franchise Area; provided,
360 however, any such plan so submitted shall be for informational purposes
361 within the Franchise Area, nor shall such plan be construed as a proposal
362 to undertake any specific improvements within the Franchise Area.

363

364 C. As-built drawings and maps of the precise location of any
365 Facilities placed by Grantee in any Right of Way shall be made available
366 by Grantee to the City within 10 (ten) working days of the City's request.
367 These plans and maps shall be provided at no cost to the City and shall
368 include hard copies and/or digital copies in a format specified by the
369 City.

370 Section 12. Shared Use of Excavations.

371
372 A. Grantee and the City shall exercise best efforts to coordinate
373 construction work either may undertake within the Franchise Area so as
374 to promote the orderly and expeditious performance and completion of
375 such work as a whole. Such efforts shall include, at a minimum,
376 reasonable and diligent efforts to keep the other party and other utilities
377 within the Franchise Area informed of its intent to undertake such
378 construction work. Grantee and the City shall further exercise best
379 efforts to minimize any delay or hindrance to any construction work
380 undertaken by themselves or other utilities within the Franchise Area.

381
382 B. If at any time, or from time to time, either Grantee, the City,
383 or another franchisee, shall cause excavations to be made within the
384 Franchise Area, the party causing such excavation to be made shall
385 afford the others, upon receipt of a written request to do so, an
386 opportunity to use such excavation, provided that:

387
388 (1) Such joint use shall not unreasonably delay the work of
389 the party causing the excavation to be made;

390
391 (2) Such joint use shall be arranged and accomplished on
392 terms and conditions satisfactory to both parties. The parties
393 shall each cooperate with other utilities in the Franchise Area to
394 minimize hindrance or delay in construction.

395
396 C. In addition, pursuant to RCW 35.99.070, the City may
397 request that Grantee install additional conduit, ducts and related access
398 structures for the City pursuant to contract, under which Grantee shall
399 recover its incremental costs of providing such facilities to the City.

400
401 D. The City reserves the right to not allow open trenching for
402 five years following a street overlay or improvement project. Grantee
403 shall be given written notice at least 90 days prior to the commencement
404 of the project. Required trenching due to an emergency will not be
405 subject to five year street trenching moratoriums.

406
407 E. The City reserves the right to require Grantee to joint trench
408 with other franchisees if both entities are anticipating trenching within
409 the same franchise area and provided that the terms of this Section are
410 met.

411 Section 13. Insurance.

412
413
414 A. Grantee shall procure and maintain for the duration of this
415 Franchise, insurance against claims for injuries to persons or damage to
416 property which may arise from or in connection with the performance
417 of work under this Franchise by Grantee, its agents, representatives or

418 employees in the amounts and types set forth below pursuant to KMC
419 26.40.020:

420
421 1. Commercial General Liability insurance with limits no
422 less than \$5,000,000 combined single limit for bodily injury
423 (including death) and property damage, including premises
424 operation, products and completed operations and explosion,
425 collapse and underground coverage extensions;

426
427 2. Automobile liability for owned, non-owned and hired
428 vehicles with a combined single limit of three million dollars for
429 each accident for bodily injury and property damage; and

430
431 3. Worker's compensation within statutory limits and
432 employer's liability insurance with limits of not less than one
433 million dollars for each accident/disease/policy limit.

434
435 B. Grantee's insurance coverage shall be primary insurance as
436 respects the City. Any insurance, self-insurance or insurance pool
437 coverage maintained by the City shall be in excess of Grantee's
438 insurance and shall not contribute with it.

439
440 C. Grantee shall furnish the City with certificates of the
441 foregoing insurance coverage or a copy of amendatory endorsements,
442 including but not necessarily limited to the additional insured
443 endorsement.

444
445 D. Grantee shall have the right to self-insure any or all of the
446 above-required insurance. Any such self-insurance is subject to
447 approval by the City.

448
449 E. Grantee's maintenance of insurance as required by this
450 Franchise shall not be construed to limit the liability of Grantee to the
451 coverage provided by such insurance, or otherwise limit City's recourse
452 to any remedy to which the City is otherwise entitled at law or in equity.

453
454 Section 14. Assignment.

455
456 A. All of the provisions, conditions, and requirements herein
457 contained shall be binding upon Grantee, and no right, privilege, license
458 or authorization granted to Grantee hereunder may be assigned or
459 otherwise transferred without the prior written authorization and
460 approval of the City, which the City may not unreasonably withhold.
461 Notwithstanding the foregoing, Grantee, without the consent of, but
462 upon notice to the City, may assign this agreement in whole or in part
463 to: (a) an Affiliate (as defined in this Franchise); (b) a lender for security
464 purposes only; or (c) the surviving entity in the event of a merger or
465 acquisition of substantially all of Grantee's assets.

466 B. Grantee may lease the Facilities or any portion thereof to
467 another or provide capacity or bandwidth in its Facilities to another,
468 *provided that:* Grantee at all times retains exclusive control over such
469 Facilities and remains responsible for locating, servicing, repairing,
470 relocating or removing its Facilities pursuant to the terms and conditions
471 of this Franchise.

472
473 Section 15. Abandonment and Removal of Facilities. Upon the
474 expiration, termination, or revocation of the rights granted under this
475 Franchise, the Franchisee shall remove all of its Facilities from the Rights
476 of Way of the City within ninety (90) days of receiving notice from the
477 City's Public Works Director; *provided however,* that the City may permit
478 the Grantee's improvements to be abandoned in place in such a manner
479 as the City may prescribe. Upon permanent abandonment, and
480 Franchisee's agreement to transfer ownership of the Facilities to the
481 City, the Franchisee shall submit to the City a proposal and instruments
482 for transferring ownership to the City. Any such Facilities which are not
483 permitted to be abandoned in place which are not removed within ninety
484 (90) days of receipt of said notice shall automatically become the
485 property of the City; *provided however,* that nothing contained within
486 this Section shall prevent the City from compelling the Grantee to
487 remove any such Facilities through judicial action when the City has not
488 permitted the Franchisee to abandon said Facilities in place.

489
490 Section 16. Miscellaneous.

491
492 A. If any term, provision, condition or portion of this Franchise
493 shall be held to be invalid, such invalidity shall not affect the validity of
494 the remaining portions of this Franchise which shall continue in full force
495 and effect. The headings of sections and paragraphs of this Franchise
496 are for convenience of reference only and are not intended to restrict,
497 affect, or be of any weight in the interpretation or construction of the
498 provisions of such sections or paragraphs.

499
500 B. Grantee shall pay for the City's reasonable administrative
501 costs in drafting and processing this Ordinance and all work related
502 thereto, which payment shall not exceed \$2,000. Grantee shall further
503 be subject to all permit fees associated with activities and the provisions
504 of any such permit, approval, license, agreement or other document,
505 the provisions of this Franchise shall control.

506
507 C. Failure of either party to declare any breach or default under
508 this Franchise or any delay in taking action shall not waive such breach
509 or default, but that party shall have the right to declare any such breach
510 or default at any time. Failure of either party to declare one breach or
511 default does not act as a waiver of that party's right to declare another
512 breach or default.

513 Section 17. Notice. Any notice or information required or
514 permitted to be given to the parties under this Franchise may be sent
515 to the following addresses unless otherwise specified:

516		
517	<u>City:</u>	<u>Grantee:</u>
518	City of Kirkland	XO Communications Services, LLC.
519	Public Works Director	Attn: Regulatory Contract Administrator
520	123 Fifth Avenue	1000 Denny Way, Suite 200
521	Kirkland, WA 98033	Seattle, WA 98109

522	
523	With a copy to:
524	XO Communications Services, LLC.
525	Attn: Director, Regulatory Contracts
526	13865 Sunrise Valley Drive
527	Herndon, VA 20171

528
529
530 Notice shall be deemed given upon receipt in the case of personal
531 delivery, three days after deposit in the United States Mail in the case
532 of regular mail, or the next day in the case of overnight delivery.

533
534 Section 18. Effective date. This Ordinance, being in compliance
535 with RCW 35A.47.040, shall be in force and effect five days from and
536 after its passage by the Kirkland City Council and publication pursuant
537 to Section 1.08.017 Kirkland Municipal Code in the summary form
538 attached to the original of this ordinance and by this reference approved
539 by the City Council.

540
541 Passed by majority vote of the Kirkland City Council in open
542 meeting this _____ day of _____, 2015.

543
544 Signed in authentication thereof this _____ day of
545 _____, 2015.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

PUBLICATION SUMMARY
OF ORDINANCE O-4492

AN ORDINANCE OF THE CITY OF KIRKLAND GRANTING XO COMMUNICATIONS SERVICES, LLC A NON-EXCLUSIVE FRANCHISE FOR THE TRANSMISSION OF TELECOMMUNICATIONS IN, THROUGH, OVER AND UNDER THE STREET RIGHTS OF WAY OF THE CITY OF KIRKLAND.

SECTIONS 1 - 17. Issues a right of way Franchise to XO Communications Services, LLC for telecommunication purposes and sets forth the terms and conditions of the Franchise.

SECTION 18. Authorizes publication of the ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the _____ day of _____, 2015.

I certify that the foregoing is a summary of Ordinance _____ approved by the Kirkland City Council for summary publication.

City Clerk

**CITY OF KIRKLAND**Planning & Building Department · 123 Fifth Avenue, Kirkland, WA 98033
425.587.3600 (Building) or 425.587.3225 (Planning) · www.kirklandwa.gov**MEMORANDUM**

To: Kurt Triplett, City Manager

From: Tom Phillips, Building Official
Eric Shields, Planning and Building Director

Date: September 3, 2015

Subject: Convert a Temporary Electrical/Building Inspector to Regular

Recommendation

That the Council authorizes conversion of the currently vacant temporary Electrical/Building Inspector to a full time regular position to enable staff to fill the position in the current economic climate. The temporary position is fully funded so no new revenue is necessary. By approving this item with the consent calendar, the City Council approves the conversion.

Background Discussion

As part of the 2014/2015 budget development, the Building Division submitted a service package for a temporary Electrical/Building Inspector if the Park Place or Totem Lake redevelopment projects were to move forward. Since those projects are now moving forward we started the hiring process for a New Electrical/Building Inspector. Because of the tight labor pool and because the position was advertised as a temporary, we only received two qualified candidates. One of those candidates was rated very high by the interview panel but during a follow up conversation the candidate said he could not leave his current position for a temporary position. He expressed a strong desire to work for Kirkland and would accept the position if it were converted to a regular position.

Although the Park Place and Totem Lake Mall projects are one time projects, they are both expected to span multiple years. The Building Division currently already has six regular inspectors and one temporary inspector. The Division does not plan to convert the other temporary position to regular. Also, one of the most experienced inspectors has announced that he will retire within a year and there will likely be a need to backfill that position. At that time staff can revisit whether the backfilled position should be regular or temporary. All of the Building staff understand that the construction industry is volatile and all positions are subject to lay off if warranted by a decrease in construction activity.

The Building Division has been fortunate to have attracted excellent inspectors in the past and currently has an extremely talented inspection staff. Converting this position and hiring the top candidate will allow the Division to maintain this high level of proficiency.



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Katy Coleman, Development Engineering Analyst
Kathy Brown, Public Works Director

Date: August 31, 2015

Subject: RESOLUTION TO RELINQUISH THE CITY'S INTEREST IN A PORTION OF UNOPENED RIGHT-OF-WAY VAC15-01549

RECOMMENDATION:

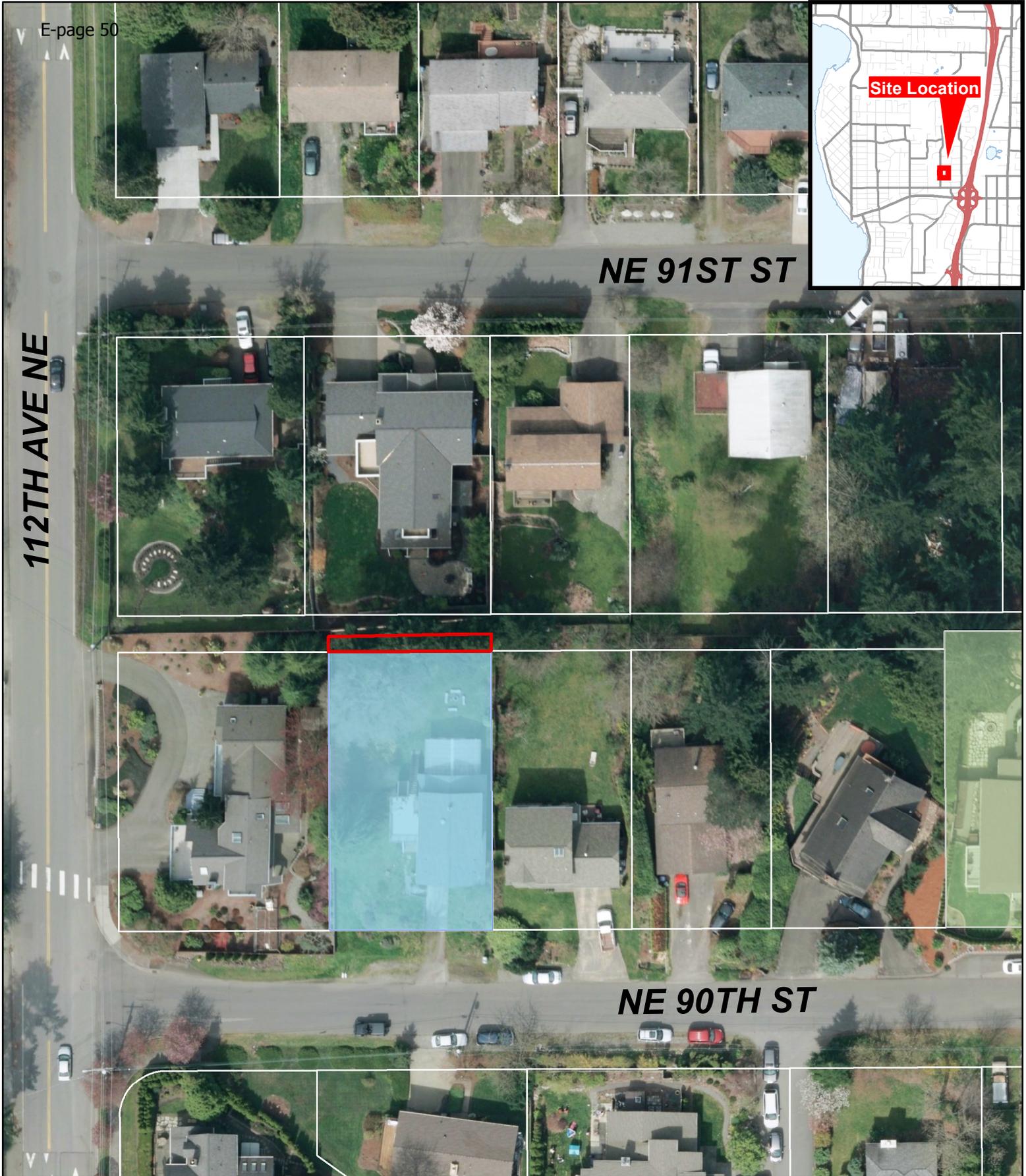
It is recommended that the City Council adopt the attached Resolution relinquishing interest, except for a utility easement, in a portion of unopened right-of-way abutting the parcel 11220 NE 90th St. Specifically, the subject right-of-way is identified as the south 8 feet of the unopened alley abutting the north boundary of the following described property: The east 10 feet of Lot 19 and all of Lots 20 and 21, Block 234, Supplementary Plat to Kirkland, according to the plat thereof recorded in Volume 8 of Plats, page 5, records of King County, Washington. This Resolution will be adopted with the approval of this item as part of the consent calendar by the Council.

BACKGROUND DISCUSSION:

The unopened portion of the right-of-way abutting the subject property (Attachment A) was originally platted and dedicated in 1891 as Supplementary Plat to Kirkland. The Five Year Non-User Statute provides that any street or right-of-way platted, dedicated, or deeded prior to March 12, 1904, which was outside City jurisdiction when dedicated, and which remains unopened or unimproved for five continuous years, is then vacated. The subject right-of-way has not been opened or improved, but it has never formally been vacated and still appears on the City records as unopened right of way.

Vladimir Lebedev, owner of the property abutting this right-of-way, submitted information to the City claiming the right-of-way was subject to the Five Year Non-User Statute (Vacation by Operation of Law), Laws of 1889, Chapter 19, Section 32. After reviewing this information, the City Attorney concurs with the owners, and recommends approval of the enclosed Resolution to bring closure to the matter.

Attachment A: Vicinity Map
Resolution



**Lebedev Property
Non-User Vacation Exhibit
11220 NE 90th Street**

- Proposed Vacation
- Granted Non-User Vacations
- Lebedev Property



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RESOLUTION R-5147

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RELINQUISHING ANY INTEREST, EXCEPT FOR A UTILITY EASEMENT, THE CITY MAY HAVE IN AN UNOPENED RIGHT-OF-WAY AS DESCRIBED HEREIN AND REQUESTED BY PROPERTY OWNER VLADIMIR LEBEDEV

1 WHEREAS, the City has received a request to recognize that any
2 rights to the land originally dedicated in 1891 as right-of-way abutting
3 a portion of Supplementary Plat to Kirkland has been vacated by
4 operation of law; and

5
6 WHEREAS, the Laws of 1889, Chapter 19, Section 32, provide
7 that any county road which remains unopened for five years after
8 authority is granted for opening the same is vacated by operation of law
9 at that time; and

10
11 WHEREAS, the area which is the subject of this request was
12 annexed to the City of Kirkland, with the relevant right-of-way having
13 been unopened; and

14
15 WHEREAS, in this context it is in the public interest to resolve
16 this matter by agreement,

17
18 NOW, THEREFORE, BE IT RESOLVED by the City Council of the
19 City of Kirkland as follows:

20
21 Section 1. As requested by the property owner Vladimir Lebedev,
22 the City Council of the City of Kirkland hereby recognizes that the
23 following described right-of-way has been vacated by operation of law
24 and relinquishes all interest it may have, if any, except for a utility
25 easement, in the portion of right-of-way described as follows:

26
27 A portion of unopened alley being identified as the south 8 feet of the
28 unopened alley abutting the north boundary of the following described
29 property: The east 10 feet of Lot 19 and all of Lots 20 and 21, Block
30 234, Supplementary Plat to Kirkland, according to the plat thereof
31 recorded in Volume 8 of Plats, page 5, records of King County,
32 Washington.

33
34 Section 2. This resolution does not affect any third party rights
35 in the property, if any.

36
37 Passed by majority vote of the Kirkland City Council in open
38 meeting this ____ day of _____, 2015

39
40 Signed in authentication thereof this ____ day of
41 _____, 2015.

MAYOR

Attest:

City Clerk



CITY OF KIRKLAND
Department of Public Works
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
 www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tim Llewellyn, Fleet Supervisor
 Erin Devoto, Superintendent of Operations, Public Works
 Kathy Brown, Public Works Director

Date: August 25, 2015

Subject: SURPLUS OF EQUIPMENT RENTAL VEHICLES/EQUIPMENT

RECOMMENDATION:

It is recommended that the City Council approve the surplus of the Equipment Rental vehicles/equipment identified in this memo by removing them from the City's Equipment Rental Replacement Schedule. Approval of this memo by adopting the Consent Calendar will authorize the vehicle surplus actions.

BACKGROUND DISCUSSION:

The surplus of vehicles or equipment which have been replaced with new vehicles or equipment, or no longer meet the needs of the City, is consistent with the City's Equipment Rental Replacement Schedule Policy.

The following equipment has been replaced by new equipment, and if approved by City Council, will be sold or disposed of in accordance with the KMC (Kirkland Municipal Code) Chapter 3.86, The Sale and Disposal of Surplus Personal Property. Surplus vehicles or equipment may be retained for short term, temporary, or special needs of the City prior to disposal as needed.

<u>Fleet #</u>	<u>Year</u>	<u>Make</u>	<u>VIN/Serial Number</u>	<u>License #</u>	<u>Mileage</u>
C-07	2005	Chevrolet Uplander Cargo Van	1GBDV13L05D278013	39849D	73,390
F-17	2004	Nissan UD2300 Utility Truck	1FDXF46P53ED60389	36371D	45,101
F316	2007	Ford E450 Road Rescue Aid Car	1FDXE45P17DA13139	46258D	51,348
K-01	2006	Ford E546 Pipeline Video Van	1FDXE45S06HA03861	41150D	29,836
PU-12	2001	GMC Sonoma Ext. Cab Pickup	1GTCS19W618216278	32476D	52,441
PU-49	2000	Chevrolet 1500 Ext Cab Pickup	2GCEC19V8Y1388273	30953D	64,894
PU-58	2006	Ford F250 Pickup Crew Cab Pickup	1FTSW21536EA33504	40538D	65,442
PU-63	2006	Chevrolet 1500 Silverado Pickup	1GCHC24U36E215368	42065D	69,810
PU-65	2007	Chevrolet Colorado Pickup	1GCDT13E378198249	44121D	31,992
PU-87	2006	Ford Escape Hybrid SUV	1FMYU95H86KC95917	42606D	64,815
S04-04	2004	Go-4 Parking Scooter	2W9MPH5554P044084	1384EX	34,087

The City of Kirkland standard replacement criteria, which reflects the industry standard, is 8 years or 80,000 miles, whichever comes first. FleetAnswers.com recently cited Municipal Vehicle Replacement Trends. Among cities, the average age of replacement for cars is 6.7 years, for class 1-5 trucks is 7.7 years, and for police vehicles it is 4 years.

The criteria for replacement is reviewed annually by Fleet Management. Replacement factors considered are the wear and tear on the engine, drive train, and transmission, structural body, major component parts. Frequency and nature of repairs are examined. Changes in the vehicle mission, in technology, and right-sizing are also considered, as well as the impact of future alternative fuels usage. The decision to replace a vehicle requires the consensus of the Fleet Management staff representing over 120 years of experience among 6 members. Vehicles should be replaced close to the point to where major repair and expense occur to maximize usefulness without sacrificing resale value.

C-07 is a 2005 Chevrolet Uplander Cargo Van, which has completed its normal 8 year accounting life as the Mail Services van, and has been replaced. C-07 has temporarily been assigned to IT for use as a video van until it is sold at public auction.

F-17 is a 2004 cabover Nissan UD2300 Utility truck which was assigned to Public Works Storm/Sewer. This vehicle achieved its expected useful life of 8 years, and exceeded that standard by an additional 3 years. This vehicle will be sold at public auction.

F316 is a 2007 Ford E450 Road Rescue Aid Car assigned to Fire Operations. This vehicle achieved its expected useful life of 8 years, and will be sold at public auction or to another government agency.

K-01 is a 2006 Ford E546 Pipeline Video Truck assigned to Public Work Storm/Sewer. It exceeded its normal expected useful life of 8 years by 1 year. K-01 will be sold at public auction or to another government agency.

PU-12 is a 2001 GMC Sonoma Ext. Cab Pickup assigned to Public Grounds. It has exceeded its anticipated useful life of 8 years by an additional 6 years. It will be temporarily retained by Public Grounds for use by seasonal workers prior to being sold at Public Auction.

PU-49 is a 2000 Chevrolet 1500 Ext. Cab Pickup assigned to Public Works Transportation Engineering. It has exceeded its anticipated useful life of 8 years by an additional 7 years. It will be temporarily retained by Public Works Streets for use by seasonal workers prior to being sold at Public Auction.

PU-58 is a 2006 Ford F250 Pickup Crew Cab assigned to Public Grounds. It has exceeded its anticipated useful life of 8 years by an additional year. It will be temporarily retained by Public Grounds for use by seasonal workers prior to being sold at Public Auction.

PU-63 is a 2006 Chevrolet Silverado 1500 Pickup assigned to Public Grounds. It has exceeded its anticipated useful life of 8 years by an additional year. It will be temporarily retained by Public Grounds for use by seasonal workers prior to being sold at Public Auction.

PU-65 is a 2007 Chevrolet Colorado pickup assigned to Parks Maintenance. PU-65 achieved it anticipated useful life of 8 years, and will be temporarily retained for use by the second Parks Maintenance Supervisor.

PU-87 is a 2006 Ford Escape Hybrid assigned to the Building Department. PU-87 exceeded its anticipated useful life of 8 years by an additional year. It will be temporarily retained for use due to the need for a temporary Building Inspector during high business volume.

S04-04 is a 2004 Go-4 Parking Enforcement Scooter assigned to Police which exceeded its normal useful life of 8 years by 3 years. It will be sold at Public Auction.

Note: The accounting life of a vehicle is the number of years of anticipated useful life to City operations. It is determined by historical averages and replacement cycles of actual City vehicles. The accounting life provides a timeline basis for the accrual of vehicle Replacement Reserve charges. At the end of a vehicle's accounting life, there should be sufficient funds in the Replacement Reserve Fund to purchase a similar replacement vehicle. The accounting life of a vehicle is a guideline only. Actual usage of City vehicles can vary from averages. All vehicles considered for replacement will be evaluated on their individual condition and availability of replacement funding.



CITY OF KIRKLAND

Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Barry Scott, Purchasing Agent

Date: September 3, 2015

Subject: REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF SEPTEMBER 15, 2015.

This report is provided to apprise the Council of recent and upcoming procurement activities where the cost is estimated or known to be in excess of \$50,000. The "Process" column on the table indicates the process being used to determine the award of the contract.

The City's major procurement activities initiated since the last report, dated August 20, 2015, are as follows:

	Project	Process	Estimate/Price	Status
1.	NE 85 th Street Overlay - Construction Management & Inspection Services	A&E Roster Process	\$164,375	Contract awarded to KPG, Inc. of Seattle based on qualifications per RCW 39.80.
2.	Phone System Upgrade	Request for Proposals	\$275,000 - \$300,000	RFP issued on 9/3 with proposals due on 9/30.

Please contact me if you have any questions regarding this report.



CITY OF KIRKLAND
Public Works Department
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kathy Brown, Public Works Director
Kari Page, Cross Kirkland Corridor Coordinator

Date: September 3, 2015

Subject: Cross Kirkland Corridor Update

RECOMMENDATION:

It is recommended that the City Council receives an update on all things related to the Cross Kirkland Corridor (CKC).

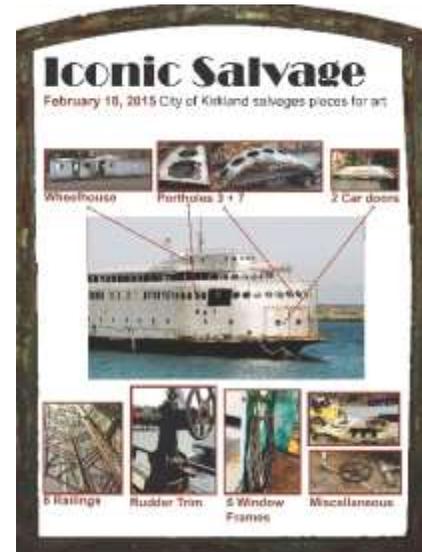
Planning:

- 1. Sound Transit 3 and the CKC:** Transit on the CKC in addition to a trail has always been a key policy priority of the City since the acquisition of the CKC in 2011. CKC transit service is necessary to create mobility alternatives and support the economic development in Downtown, 6th Street/108th (Google, Nytec, Houghton/Everest Shopping Center) and Totem Lake. Transit use is contemplated as part of the CKC Master Plan adopted in 2014 and is being incorporated into the 2015 Transportation Master Plan and the 2015 Comprehensive Plan update. To implement transit on the CKC, Kirkland staff, along with Mayor Walen, Councilmember Arnold and Councilmember Asher, have worked closely over the past 9 months with Sound Transit staff and Sound Transit Board members to include options for transit on the CKC connecting the Totem Lake Urban Center to Eastlink light rail in Bellevue.

On August 27, 2015 the Sound Transit Board adopted a "Candidate Project List (CPL)" of projects that might be included in a 2016 ST3 ballot measure. The CPL includes two options for transit along the CKC. The first is a light rail line from Totem Lake to Bellevue along the CKC and continuing to Issaquah along I-90. The second is a Bus Rapid Transit line (BRT) from Totem Lake to Bellevue. Both CKC projects will be evaluated for costs and ridership along with the rest of the CPL projects and ST staff will make a recommendation to the Sound Transit Board for a final package to be included in any potential ballot measure around the end of the year. Staff believe that the most practical, effective and affordable outcome would be to build BRT along the CKC soon. To help ensure any such BRT plan is compatible with Kirkland values and scale, a budget request for \$250,000 for BRT planning, pre-design and cost-estimating will be in front of the Council at the September 15th Council meeting. Staff will be asking the Council for a motion to authorize the City Manager to appropriate the \$250,000 from REET reserves for this purpose. A fiscal note is included with this memo as an attachment. Kirkland staff and Councilmembers will be following the Sound Transit process closely to ensure that any final system provides robust but appropriate transit service to Kirkland.

- 2. Art Integration Plan:** With the completion of the interim trail, an abundance of art and heritage ideas for installations on the CKC have been put forth. Without a tool for curating art on the corridor, it is difficult to determine which of the ideas is worthy of consideration by the Cultural Arts Commission and City Council and, most importantly, what locations along this precious and limited resource need to be reserved for a variety of art and heritage treatments that the community desires.

Given these exigencies, the Cultural Arts Commission allocated \$1,000 in annual 2015 4Culture funds to develop a framework for an art integration plan. That framework enabled staff to begin seeking funds for art and also to scope the Request for Qualifications (RFQ) for a consultant to develop a full-fledged plan. The City Council followed with an allocation of \$20,000 for the plan, and a call for consultants was issued. The project was awarded to the Berger Partnership, the landscape architecture firm who prepared the Master Plan.



Work will begin in September and run through November, with the expectation that a draft Art Integration Plan for the Cross Kirkland Corridor (CKC PAIP) will be presented to City Council for adoption as an attachment to the Master Plan by the end of the year. In the ensuing months Berger will be gathering input from City staff, arts and heritage constituents and the larger public and coming up with a plan as well as decision tree for art selection in the future. The Cultural Arts Commission will play an important role as conveners of public meetings as well as working closely with the consultants to revise and craft the recommended plan that will go to City Council.

- 3. Regional Issues:** The Eastside Rail Corridor (ERC) Regional Advisory Council (RAC) July 22, 2015 meeting included a panel discussion about potential funding collaboratives envisioned to help finance the development of the ERC. The RAC is considering two organizational options: a "free-standing" organization; or an alliance with an existing organization. The panel included Roger Hoesterey, Eastside Rail Corridor Project Director for The Trust for Public Land; Gene Duvernoy, President, Forterra; Maggie Walker, Principal, Walker Family Foundation; Ron Sher, Managing Partner, Sher Partners; and Nicole Trimble, Senior Advisor, Philanthropy Northwest's The Giving Practice. The panel discussed opportunities and challenges to a funding collaborative, types of projects a philanthropy would be interested in, and the kind of structure needed to be effective. The RAC will continue to invite panel expert to provide advice on possible funding collaborative options. For more information about the RAC and future meetings go to http://www.kingcounty.gov/operations/erc-advisory-council/2015_Meetings.aspx

In late September, RAC members from Sound Transit, City of Bellevue, and King County will meet with staff to review cost estimates and potential timelines for completing two Interim Trail segments of the ERC within the City limits of Bellevue. One connects the CKC to the SR520 nonmotorized trail. The other goes from SR520 adjacent to the Sound Transit Operations & Maintenance Satellite Facility (OMSF) to the Wilburton East Link station just

north of NE 8th Street. The agencies are looking at options to develop an interim trail in the near term, prior to the OMSF and East Link schedule.

The next RAC meeting is scheduled for Wednesday, October 28, 2015 (location to be determined).

Projects:

- 4. South Kirkland TOD CKC Multi-Modal Bridge/Elevator:** The South Kirkland Pedestrian Bridge project will provide a needed ADA-accessible pedestrian route connecting the Cross Kirkland Corridor (CKC) trail with King County Metro's South Kirkland Park & Ride facility. This connection is an element of the South Kirkland Transit-Oriented Development (TOD), which included construction of the King County Metro parking garage and two apartment buildings. There is approximately 60 vertical feet between the elevation of the parking lot and the CKC trail elevation, where the trail intersects 108th Avenue NE. Current pedestrian access between the South Kirkland Park & Ride facility and the CKC trail is limited to a long and strenuous sidewalk along 108th Avenue NE. This project is located at the south terminus of the CKC trail, and so may be considered both a "gateway" to the City of Kirkland trail to the north as well as a significant connection to the Bellevue leg of the future Eastside Rail Corridor to the south.

The connection made by this project will incorporate an elevator and stair tower with an elevated pedestrian bridge connecting to the trail. The 60-foot tower, with access to the parking lot and the bottom level of the adjacent parking garage, will enclose a passenger elevator and staircase within a steel-framed structure wrapped in a combination of glazing, architectural steel mesh, and perforated metal panels. The architecture of the project will be important, as this connection is located at the south terminus of the City of Kirkland's CKC trail, and so may be considered a "gateway" to the trail north. The architecture for this project encourages the "gateway to the City of Kirkland" vision through such methods as selecting transparent materials to be used for the tower and bridge in support of Crime Prevention Through Environmental Design.

The project currently under design is approaching a 60 percent design and engineer's estimate stage. As much of the project represents an addition to an existing and fully-utilized Park & Ride facility, and the structure will be maintained by the City of Kirkland after construction, several aspects of the design of this project and a final agreement to occupy the facility are still being discussed with King County. An important step in the process will be obtaining approval from the Federal Transit Authority to use three parking stalls for the footprint of the new structure.

Initial project funds for the project came from a Washington State capital legislative appropriation under the Projects for Jobs and Economic Development program. Supplemental funds have been committed to the project by King County, once a final agreement is reached between, and approved by, both the City of Kirkland and King County. Based on estimates developed in anticipation of the 60 percent design and the existing facility development, additional funding will be necessary to complete construction of the project. Staff has proposed to fund the project in the CIP currently being reviewed by the Council for adoption in December. The CIP request seeks to balance project affordability with the vision of making this project an iconic "gateway" for the City.



- 5. Rail removal and overlay at 124th Avenue NE and Totem Lake Boulevard:** The rails have been removed and adjacent concrete driveway ramps and sidewalks are nearly complete. Due to weather, grinding and final overlay of the roadway was postponed from the first to the second week in September. Included in this project is the completion of the overlay on 120th Avenue NE between the CKC and where Washington State Department of Transportation terminated their repaving north of NE 116th Street.
- 6. Houghton/Everest Shopping Center bridge and trail connection:** The project is included in the Preliminary 2015-2020 Capital Improvement Program (CIP) with an estimated budget of \$175,000 (NM0114). This project is on the Council-approved list of pre-authorized 2015-2016 CIP projects with construction start dates in 2015.

The bridge and trail connection are currently in the final design/permitting phase and construction is anticipated to start in September and be complete in October. Wetland mitigation is being done through a Puget Sound Energy (PSE) mitigation program at no cost to the City. Invasive plant material will be removed September/October with final planting (of more than 200 plants) scheduled for late this year or early spring of 2016.

- 7. Top Priority Interim Trail Improvements:** As described in the CKC Interim Trail Accept Work memo to the City Council on September 1, there is approximately \$186,000 remaining in the Interim Trail fund for improvements such as trail connections and CKC user/staff requested items. The popularity and heavy use of the trail has resulted in many user/staff recommendations for safety improvements and enhancements. As a result, on September 1, Council approved using the remaining Interim Trail project funds for these improvements. Staff will continue to assess and rank requests as they come in and report back to the Council in future CKC Updates on the status of these projects and remaining funds. The following are examples of the high priority projects:

Americans with Disabilities Act (ADA) plan and access: Staff has been working on both a long-range ADA plan and looking for opportunities for quick wins. SRM Development at Google installed the first ADA accessible parking stall on the east side of 5th Place (along with 7 other parking stalls). The connection to the Houghton/Everest Shopping center will include a second ADA stall. With minimal effort (approximately \$3,000 each), the City can install ADA stalls at 128th Lane NE, 120th Avenue NE, NE 112th Street, 110th Avenue NE, NE 87th Street, and Kirkland Avenue. The east west elevation change along the southern quadrant of the corridor makes installing ADA ramps south of NE 68th Street more complicated. This fact highlights the importance of the South Kirkland TOD CKC Multi-Modal bridge.



Fencing/solution for NE 124th Street/Totem Lake Boulevard illegal pedestrian crossing: The City Council directed staff to review the signage at the intersection to make sure pedestrians and bicyclists were not inadvertently trying to cross these major roads from the CKC. Additional signage directing trail users to the signalized intersection from the CKC was installed this summer. In addition, after the rail removal and paving project is complete, maintenance crews will install a wooden fence (similar to the one along the trail) where the trail meets the sidewalk along 124th Avenue NE. The trail will

split left and right around the fence forcing the trail user toward the intersection. Staff will continue to monitor the crossing to make sure these improvements are effective.

Runnel at Crestwoods Park connection: The stairs leading to Kirkland Middle School are steep and can be challenging for middle school children walking their bikes. The community has requested a runnel to make it easier and safer for getting to and from school on bikes. This improvement has not yet been scheduled.

CKC Map: Because of the overwhelming number of requests, the first user map of the CKC has been produced and is online with copies available at City Hall, community centers and the Kirkland Library. Bundles of maps will be taken to neighborhood meetings this fall for distribution. The map includes trail connections, mile markers, parking opportunities, restrooms, park amenities, and other landmarks. 1,000 maps were printed.

Trail etiquette campaign/signs/bike bells: Based upon user reports and input, the City has started a trail etiquette campaign. The etiquette list, pulled from other regional trails and jurisdictions, includes specific behaviors to follow to improve the trail user's experience. Examples include alerting pedestrians when passing, staying to the right of the trail, picking up after your pet, keeping pets on a short leash, etc. Bike bells with the CKC logo are being distributed at community events to emphasize the importance of alerting pedestrians while passing on a bicycle. Simple (four word) signs will be added to the trail reminding users of basic rules like "stay to the right."

The new trail map has the full list of trail rules and etiquette to help make the trail safe and allow all users to have a positive trail experience.

The Neighborhood Safety Program (NSP) stair project at NE 68th Street: Through the NSP, neighbors asked for stairs to connect the school walk route/sidewalk on the south side of NE 68th Street to the CKC. The Lakeview Neighborhood requested wooden stairs. But because of the strong support for this project from all of the neighborhoods and the Master Plan's emphasis on the importance of a connection to this busy arterial, staff increased the budget and added \$17,500 from the Interim Trail fund to upgrade the requested wooded stairs to permanent concrete stairs.

Counts on the corridor: As a pilot, in January a VideoLan Camera was purchased and placed on the trail to record images for counting users. The following counts have been tallied. However, because of the time it takes to view the video to tally the users, staff will be upgrading the counters to infrared counters (around \$1,500) to obtain immediate/more reliable counts. Documenting user numbers can help provide statistics for grant applications and provide information for maintenance and operations.

Location	Date	Pedestrians	Bikes	Total
Kirkland Ave	Friday, January 16, 2015	146	9	155
Kirkland Ave	Saturday, January 17, 2015	246	30	276
Kirkland Ave	Sunday, January 18, 2015	130	13	143
NE 52 nd Street	Saturday, January 24, 2015	315	29	344
NE 52 nd Street	Sunday, January 25, 2015	514	59	573
Kirkland Ave	Friday, March 27, 2015	216	93	309
Kirkland Ave	Saturday, March 28, 2015	764	210	974
Kirkland Ave	Sunday, March 29, 2015	668	156	824
Kirkland Ave	Monday, March 30, 2015	187	34	221
NE 87 th Street	Saturday, April 25, 2015	610	196	806
Kirkland Ave	Friday, July 17, 2015	305	155	460
Kirkland Ave	Saturday, July 18, 2015	404	279	683

- 8. Preliminary 2015-2020 CIP Projects on the CKC:** There are a number of projects (funded, unfunded, and potentially funded with external sources) in the upcoming CIP related to the CKC. If approved, Council will stay up to date on the progress of these projects through future CKC updates.

YEAR	PROJECT DESCRIPTION	BUDGET
2015	CKC Bridge Connection to Houghton Shopping Center	\$175,000
2015	CKC Surface Water Drainage at Crestwoods Park	\$40,000
2016	CKC Emergent Projects Opportunity Fund	\$100,000
2016	CKC Emergent Project Surface Water Opportunity Fund	\$100,000
2017	NE 52nd Street Sidewalks (State grant)	\$1,086,000
2018*	Kirkland Way Sidewalk Improvements	\$2,120,000
2015/2016*	South Kirkland TOD/CKC Multi-Modal Connection	\$2,400,000
2015/2016/2017	Totem Lake Park Master Plan Trail Development	\$1,864,000
2016/2017	NE 124th Street/124th Avenue NE Pedestrian Bridge	\$1,500,000
2016/2017*	CKC Surface Water Drainage at Crestwoods Park Design/Construction	\$1,000,000
2017/2018*	NE 124th Street/124th Avenue NE Pedestrian Bridge Construction	\$11,360,000
2018/2019*	Totem Lake Park Development Phase II	\$1,000,000
2018/2019	King County Eastside Rail Acquisition in North Kirkland	\$600,000
2018/2019	CKC North Extension Trail Development	\$1,000,000
	TOTAL	\$24,345,000
*	Includes funding from external sources (some of which has not been awarded).	

Outreach:

- 9. SRM/Google Dedication Celebration:** The August 31, 2015, SRM/Google Dedication of the Family Fun and Fitness area was a great success. The hundreds of enthusiastic participants reflect the community's support for the CKC and improvements thus far. Kirkland Downtown Association (the non-profit sponsor of the beer garden) estimated the turnout to be 1,500. Google reported over 1,000 strawberry short cakes eaten. 250 CKC trail etiquette bells and roughly 300 new trail maps were given out. The last remaining items (childrens zip line and playground) are expected to be installed by the end of September. In the near future, a community naming contest will be started to help SRM Development, Google and the City find a name for this new park.



10. Adding CKC to the Lake Washington School District School Walk Routes: The Public Works Department turned in the formal request to the School District to have the Cross Kirkland Corridor (from NE 52nd Street to the point where 116th Avenue NE in Highlands would intersect to the CKC if it continued through) designated as a school walk route. To qualify as a school walk route the trail must:

- Cover a one-mile walking distance from the school, excluding areas outside the school service area. A walk route does not need to provide details that cover neighborhood streets.
- Seek routes that provide the greatest physical separation between walking children and traffic, expose children to the lowest speeds and volumes of moving vehicles, and have the fewest number of road or rail crossings.
- Consider school age children with disabilities.
- Provide the most direct route possible, given the considerations above, in order to provide a convenient, agreeable way to get to school on foot or by bike.

11. Road show: The International Association of City Management (ICMA) Annual Conference tour on the CKC is happening Monday, September 28 from 9:15 a.m. to 12:15 p.m. The tour will start at Nytec with a presentation by City Manager, Kurt Triplett, and finish at the South Kirkland Park and Ride. The conference, attended mostly by City Management staff and elected officials, will emphasize how the Kirkland City Council embraced opportunity by taking risks during the great recession, created a catalyst for economic development, and leveraged resources by building public/private partnerships. The City has purchased an eight person legislative/grant procurement, solar-powered cart to offer rides during tours. The vehicle is anticipated to be delivered before this event. Since the tour involves a nearly 2-mile walk, some who may otherwise not have been able to join the tour now can. Kirkland's cart will be bright green.



FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding of \$250,000 from REET 2 Reserves to fund pre-design and cost-estimating for Bus Rapid Transit on the Cross Kirkland Corridor as described in the attached memo.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$250,000 from the REET 2 Reserve. This reserve is fully able to fund this request.							
Recommended Funding Source(s)							
Reserve	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2016 End Balance	2016 Target
	REET 2 Reserves	7,146,044	289,243	0	250,000	6,606,801	2,436,255
	Prior Authorized Uses of REET 2 Reserve: Juanita Quick Wins (\$270,000) and NE 68th Street/108th Avenue NE Intersection Improvements (\$19,243). No prior authorized additions to REET 2 Reserve.						
Revenue/Exp Savings							
Other Source							
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	September 9, 2015
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CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kari Page, Neighborhood Services Coordinator
Marilynne Beard, Deputy City Manager

Date: September 3, 2015

Subject: NEIGHBORHOOD SAFETY PROGRAM (NSP) UPDATE

RECOMMENDATION:

Staff is recommending that the City Council receives an update on the 2014 & 2015 Neighborhood Safety Program (NSP) from 2014, 2015, and the proposed process improvements for 2016.

BACKGROUND DISCUSSION:

The City Council authorized the Neighborhood Safety Program as a way to help "reenergize neighborhoods through partnerships on capital project implementation..."

Program Goals:

- Provide an incentive for neighborhood participation.
- Address safety needs.
- Foster neighborhood self-help and build a sense of community.
- Increase collaboration within a neighborhood, between neighborhoods, and with City government.
- Leverage funding with match contributions and/or other agency grants.
- Collaborate with businesses, schools, Parent Teacher Student Associations (PTSAs), Cascade Bicycle, Feet First, Kirkland Greenways, and other organizations.
- Create an equitable distribution of improvements throughout the City.

Funding: With the authorization of the ongoing NSP, the Council identified two funding sources for projects:

1. Streets Levy pedestrian and bicycle safety (\$150,000/year).
2. Walkable Kirkland Initiative (\$200,000/year) 2015 through 2021.

STATUS OF PROJECTS:

After a successful pilot program, the Council authorized the continuation of the NSP indefinitely. In the fall of 2014, neighborhoods started identifying projects for the 2015 Program. In April of 2015, the City Council approved 14 projects identified by the neighborhoods and prioritized by the NSP Panel (Panel) and staff.

Unfortunately, the prospering economy translated into higher bids for these small capital projects. Early this year, the first round of Job Order Contract (JOC) bids were rejected as they all exceeded the project budgets (in some cases doubled or quadrupled the engineering estimates which were based on actual costs in 2013). The decision was made to try the second JOC contractor for some projects and experiment with the Small Works Roster (SWR) for some of the 2015 projects to learn more about the bid market. By July, a second JOC was on board and staff initiated a second round of bids for 4 of the 2014 projects. The bids came in within reason (slightly higher than the estimates but lower than the initial bids) and the contracts have been executed on those projects with anticipated completion in October.

The only other outstanding project for 2014 is the Cross Kirkland Corridor (CKC) trail connection at Forbes Creek Drive. The private property (Resort at Forbes Creek) the proposed trail is located on went on the real estate market last year and the owners were not willing to discuss trail access options at the time. Now that the property is in new hands, the Regional Manager met with City staff to learn more about the project. Although it is early in the negotiations, the goal is to reach agreement and construct the trail between now and the end of the year.

Unlike the JOC process, the SWR requires engineering drawings for each project. In August, an engineering firm was hired to design 5 of the 2015 projects so they can be packaged and bid through the SWR. The schedule for these projects includes Council award in November and a thirty day construction period (with anticipated completion in December 2015 or January 2016). Other 2015 projects are either pending Puget Sound Energy (PSE) lighting and/or work by City crews (after the busy summer construction season). The funding for NSP is based upon a priority system; that is, top priority projects are done before moving down the list to lower priorities. Because of the bid climate, three projects at the bottom of the 2015 priority list are on hold until the higher priority projects. See Attachment A for 2014 project map and Attachment B for 2015 project maps.

2014	Project Description	Bid Method	2015	2016
14NSP01	Rapid Flashing Beacon on NE 132nd Street at 121st Ave NE and turn lane (east to north bound)	JOC		
14NSP02	Rapid Flashing Beacon on Juanita Drive Trail Crossing at NE 137th Street connecting Big Finn Hill Park	Juanita Drive Quick Wins		
14NSP03	Crosswalk and curb along 84th Ave NE from NE 139th Street to NE 141st Street	Complete		
14NSP04	Rapid Flashing Beacon on 132nd Street NE at 105th Ave NE	JOC		
14NSP05	Trail Connection at Forbes Creek Drive and the CKC - between 113th Court NE and 115th Court NE	Pending easement		
14NSP06	Crosswalk markings along 90th Ave NE at NE 134th Street, NE 137th Street, and NE 139th Street	JOC		
14NSP07	Crosswalk markings along NE 145th Street at 84th Ave NE, 88th Ave NE, and 92nd Ave NE	JOC		

2015	Project Description	Bid Method	2015	2016
15NSP01	Stairs from NE 68th Street to the CKC	SWR		
15NSP02	Sidewalk on north side of Kirkland Avenue at 6th Street South	SWR		
15NSP03	Rapid Flashing Beacon on 84th Avenue NE at NE 138th Street crosswalk	SWR		
15NSP04	Stairs and bridge connection from 116th Avenue NE to the CKC	Volunteer Crews		
15NSP05	Improved connection from NE 60th Street to the CKC	City crews PSE		
15NSP06	Rapid Flashing Beacon at crosswalk on 132nd Avenue NE at NE 97th Street	JOC		
15NSP07	Crosswalk improvements on 112th Avenue at NE 68th Street	City crews PSE		
15NSP08	Rapid Flashing Beacon at crosswalk on 132nd Avenue NE at NE 93rd Street	JOC		
15NSP09	Rapid Flashing Beacon on NE 70th Place at 130th Avenue NE	SWR		
15NSP10	Radar speed sign on Juanita Drive (in the vicinity of Woodlands Park)	SWR		
15NSP11	Crosswalk improvements on 7th Avenue S. at 1st Street, 4th Street, and 5th Street	PSE		
15NSP12	Gravel walkway on 100th Avenue NE/NE 110th Street from NE 112th Street to end of sidewalk on NE 110th Street	On hold		
15NSP13	Neighborhood Traffic Control at 13th Avenue and 4th Street	On hold		
15NSP14	Gravel walkway on 98th Avenue NE from NE 110th Street to approximately 180 feet south	On hold		

2016 NSP

Process: Each year, the Panel and staff fine-tune the process making the Program more user friendly to yield better projects and stronger neighborhoods each year. The Panel and staff evaluated the Program directly after the process this spring and again through an online survey targeting KAN and Panel members this fall. A majority of the eleven responders said; 1) they feel the NSP has motivated and energized their neighborhood association; 2) the process felt open, transparent, fair and resulted in important safety projects; and 3) the project evaluation criteria was meaningful, easy to understand and reflected the goals of the Program. However, there were suggestions for improvements. The following procedure outlines some of the lessons learned and procedural improvements being proposed for implementation in 2016.

- **Suggest a Project Interactive Map:** The NSP process begins in the fall with the interactive Suggest a Project Map. Neighborhoods use this tool to input, track and prioritize ideas in their neighborhood. So many requests came in during the last few

years it was difficult for staff to stay up with the tracking and reporting out of the status of these suggestions.

Process Improvement: For the 2016 process, staff has reviewed all 500 suggestions and categorized them by status:

- 1) Complete through CIP, NSP, or maintenance.
- 2) Funded and to be complete through CIP, NSP, awarded grants (i.e. Juanita Drive Quick Wins), and maintenance.
- 3) Possible future funding programs include CIP, NSP, Pavement Marking Program, and Neighborhood Traffic Control, etc.
- 4) Low priority and not recommended for funding.
- 5) Other jurisdiction or agencies' responsibility.

Once finalized, the status of the suggestions will be posted online and updated periodically. This procedural improvement will help neighborhood associations choose projects for NSP and enable requestors to better understand how their suggestion is being addressed.

- Neighborhood prioritization and project selection: Independently, neighborhood associations review the projects suggested in their area and, in some cases, add additional projects and then prioritize the projects. Over the past two years, the quality of the neighborhoods' project selection and prioritization processes have varied. Some spend several full association meetings going through the process while others compress it into one board meeting.

Process Improvement: In order to "level the playing field" staff will reach out to all of the neighborhoods, suggest a process and timeline based upon their unique neighborhood meeting schedule, and offer to help facilitate the process. In addition based upon Council direction, staff will work with Totem Lake businesses and residents to identify and prioritize projects in the Totem Lake area so this neighborhood is not left behind.

- Scoping and cost estimating: Staff experts help scope the projects, recommend the most appropriate solution for the safety concerns, and develop cost estimates. The NSP workshop is a critical step in this process, as it starts the dialogue between City staff and the neighborhoods on each individual project. At the workshop, some projects are dropped, some are adjusted and others are refined. Last year, 17 project ideas were addressed from ten of the thirteen neighborhoods during the 3 hour workshop. Neighborhood project leaders would walk from one staff resource table to the next to get specific questions answered about their projects. In some cases, there was a 10-20 minute wait to speak to a staff person.

Process Improvement: In order to provide adequate time to understand the complexities of each project and to have a meaningful discussion about potential solutions, staff is recommending that neighborhoods sign up for a specific time slot (45 minutes) with the staff team. This will not only eliminate the waiting some experienced at the workshop and provide better coordination and focus from the staff team.

Process Improvement: In order to cut down on requests that do not meet City standards, staff will develop guidelines to be used by the neighborhoods when selecting their potential NSP projects. For example, crosswalks can only be added if they lead to an existing walkway/sidewalk connection.

- **Project selection:** A Panel with representatives from the city's twelve active neighborhood associations reviews and prioritizes the project proposals. Staff provides a rigorous technical review and score for each project. The two independent rankings are combined to create the final funding recommendation.

Process Improvement: Although the ranking of projects between the Panel and staff confirmed the reliability of the scoring criteria, improvements can be made to make the criteria easier to use and less redundant. Staff will be working with the Panel and KAN to refine the criteria over the next several months.

- **Project Implementation:** The bidding climate has significantly stifled the implementation of most of the projects on the list. Through perseverance and determination, on the part of the engineers, the projects are approaching the construction phase. However, many of the 2015 projects have not yet been bid. The table above is an optimistic look if the SWR bids are within reason. If not, the Program will stall again.

Process Improvement: By later this year, the staff team will have learned a great deal about today's bid environment for small capital projects. The difference between the JOC and SWR will be known and seasonal bid benchmarks will be set. Bids in early spring will be compared with summer and fall prices. By the time projects are to be constructed for 2016, lessons learned will inform future decisions.

Timeline: To identify projects before the summer construction season and develop potential Safe Walk Routes to School grants before the grant deadlines, the Program will start again in the fall of 2015 and is compressed to be finished in early spring. The timeline for the 2016 NSP was as follows:

Project idea due: December 1, 2015

NSP workshop: January 21, 2016

Applications available: January 21, 2016

Applications due: No later than February 9, 2016

Staff technical review: February 9–March 9, 2016

Panel review: March 9, 2016

Panel decision: March 23, 2016

City Council decision: April 19, 2016

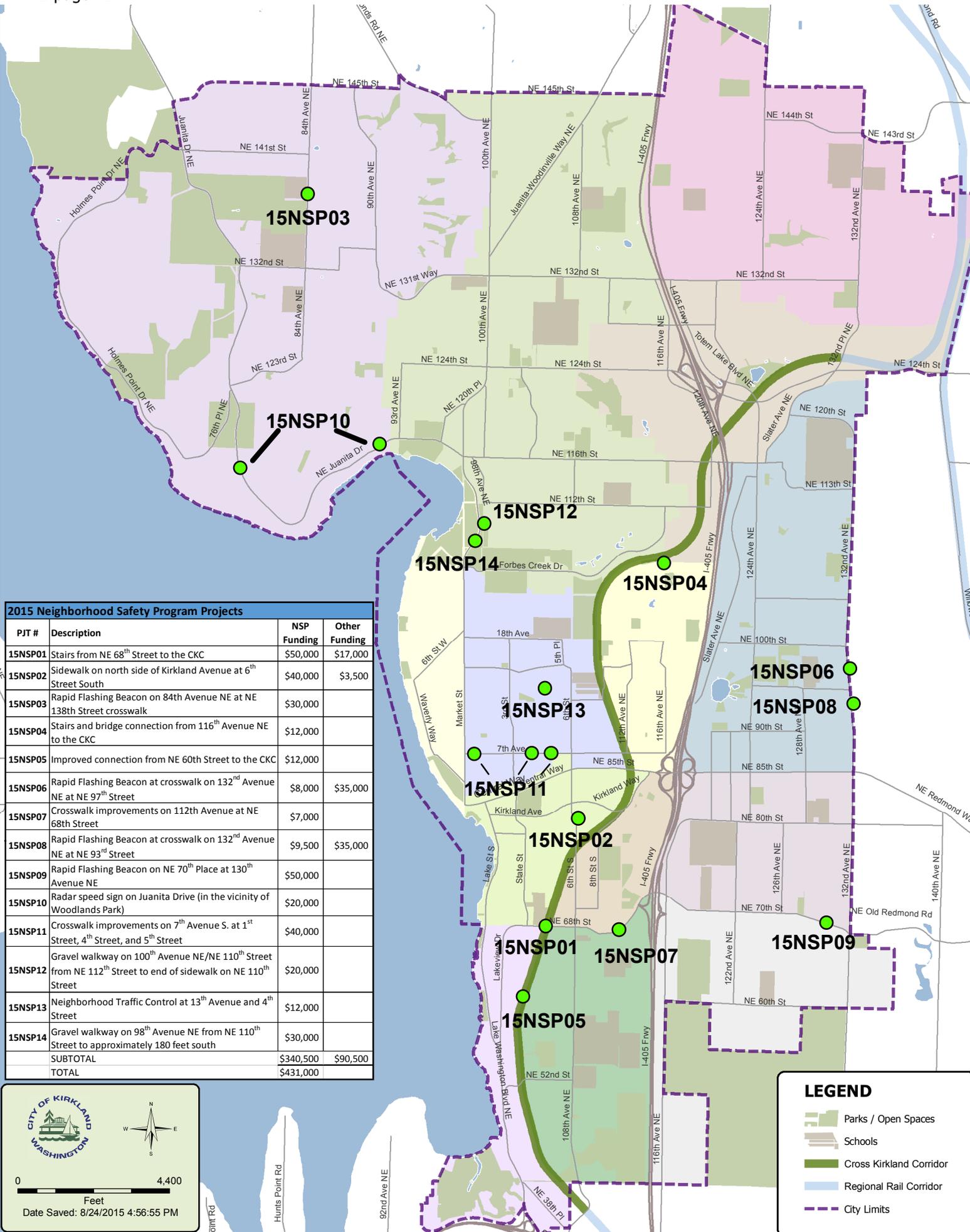
Projects announced: By end of April, 2016

Projects end: June 1, 2017

CONCLUSION

Unless the Council has objections or questions or suggestions, staff will continue with the construction of the 2014/2015 projects and implement the process improvements and timelines for 2016.

2015 Neighborhood Safety Program Projects



2015 Neighborhood Safety Program Projects			
PJT #	Description	NSP Funding	Other Funding
15NSP01	Stairs from NE 68 th Street to the CKC	\$50,000	\$17,000
15NSP02	Sidewalk on north side of Kirkland Avenue at 6 th Street South	\$40,000	\$3,500
15NSP03	Rapid Flashing Beacon on 84th Avenue NE at NE 138th Street crosswalk	\$30,000	
15NSP04	Stairs and bridge connection from 116 th Avenue NE to the CKC	\$12,000	
15NSP05	Improved connection from NE 60th Street to the CKC	\$12,000	
15NSP06	Rapid Flashing Beacon at crosswalk on 132 nd Avenue NE at NE 97 th Street	\$8,000	\$35,000
15NSP07	Crosswalk improvements on 112th Avenue at NE 68th Street	\$7,000	
15NSP08	Rapid Flashing Beacon at crosswalk on 132 nd Avenue NE at NE 93 rd Street	\$9,500	\$35,000
15NSP09	Rapid Flashing Beacon on NE 70 th Place at 130 th Avenue NE	\$50,000	
15NSP10	Radar speed sign on Juanita Drive (in the vicinity of Woodlands Park)	\$20,000	
15NSP11	Crosswalk improvements on 7 th Avenue S. at 1 st Street, 4 th Street, and 5 th Street	\$40,000	
15NSP12	Gravel walkway on 100 th Avenue NE/NE 110 th Street from NE 112 th Street to end of sidewalk on NE 110 th Street	\$20,000	
15NSP13	Neighborhood Traffic Control at 13 th Avenue and 4 th Street	\$12,000	
15NSP14	Gravel walkway on 98 th Avenue NE from NE 110 th Street to approximately 180 feet south	\$30,000	
SUBTOTAL		\$340,500	\$90,500
TOTAL		\$431,000	

LEGEND

- Parks / Open Spaces
- Schools
- Cross Kirkland Corridor
- Regional Rail Corridor
- City Limits



CITY OF KIRKLAND
Department of Finance & Administration
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MEMORANDUM

To: Kurt Triplett, City Manager
From: Tracey Dunlap, Deputy City Manager
Date: September 3, 2015
Subject: IMPACT FEE RATE STUDIES AND RELATED ISSUES

RECOMMENDATION:

City Council receives a briefing on the rate study results for Park and Transportation impact fees, Lake Washington School District's request for an increase to the School impact fee, and impact fee deferral changes necessitated by new legislation.

BACKGROUND DISCUSSION:

As part of the Kirkland 2035 efforts, staff has been working to update the Park and Transportation impact fees charged to new development. The City Council received an introduction to this topic and related policy issues at the April 7, 2015 Study Session (with follow up on April 21) and additional background information as part of the Capital Improvement Plan (CIP) funding discussion at the May 29, 2015 Council Retreat. The rate studies are complete and the results are summarized in this memorandum and its attachments, which will be presented at the September 15 Regular Meeting. In addition, the Lake Washington School District has requested that the City increase the School impact fee consistent with their capital facilities plan update and will be in attendance. Lastly, the State Legislature required an impact fee deferral option as part of a bill approved during the last legislative session that requires deferrals for both single-family and multi-family units. This necessitates some changes to the City's existing deferral program which only applies to single-family units.

Separate attachments contain the details of each issue and supporting documents as follows:

- Attachment 1 – Transportation Impact Fees
- Attachment 2 – Park Impact Fees
- Attachment 3– School Impact Fees
- Attachment 4 – Impact Fee Deferrals

Draft results were reviewed with the Finance & Administration Committee on August 25 and the Public Works, Parks, & Human Service Committee on September 2. The Staff is seeking final policy guidance from the Council on the policy issues summarized on the following pages.

Transportation Impact Fees

- Because of the multimodal nature of the Transportation Master Plan (TMP), a wider variety of transportation improvements have been included in the calculation of impact fees, including improvements on the Cross Kirkland Corridor. Also because of the multimodal TMP, proposed impact fees are based on person trips rather than vehicle trips. **Staff recommends that the Transportation Impact fees be based on the new methodology, resulting in a single family impact fee of \$4,846 (an increase of \$904 from the current fee), a multifamily fee of \$2,762 (an increase of \$451 from the current fee), and a change in the commercial fees from \$3,903 per vehicle trip to \$3,342 per person trip (the impact will vary by land use).**
- The current ordinance suspending the collection of impact fees for changes in use expires at the end of 2015 (Kirkland Municipal Code 27.04.035). Staff will be presenting three options: begin charging the fee, permanently remove charging for changes in use, or adopting a policy for changes in use that generate more than 25 new trips.
- There is currently a provision to discount impact fees in the Central Business District for certain land uses. **Staff recommends eliminating the discount to improve equity in the fee structure across the entire City.**

Park Impact Fees

- Kirkland's current methodology for Park impact fees uses level of service standards based on acres of park land and square feet of indoor recreation space. An alternative methodology developed in other cities is to assess new development a fee based on the replacement value of the existing overall park system, divided by population to determine the park value per person (investment per capita). The proposed Parks, Recreation and Open Space (PROS) plan reflects the changes necessary to implement this alternate methodology. **Staff recommends using the alternative methodology, resulting in a single family impact fee of \$3,968 (an increase of \$19 from the current fee) and a multifamily fee of \$3,016 (an increase of \$433 from the current fee primarily because the new census data shows that multi-family households have increased from about 1.6 to about 1.9 persons).**
- Kirkland does not charge Park impact fees to commercial (i.e. non-residential) development. Some cities have determined the impact of commercial development on parks by determining "equivalent population" for different types of development. The City's consultant provided an example of how this approach might look for Kirkland. **Staff recommends that the Council defer consideration of commercial impact fees until the completion of several major developments that are currently in process.**

School Impact Fees

- Lake Washington School District is requested that the City increase School Impact Fess consistent with their updated capital facilities plan. **Staff recommends approving the increase requested by LWSD, resulting in a single family impact fee of \$9,715 (an increase of \$92 from the current fee) and a multifamily fee of \$816 (an increase of \$71 from the current fee).**

The cumulative impact of all of the fee recommendations is summarized in the table below.

Summary of Proposed Impact Fees

	Current	Proposed	Change
Single Family			
Transportation	3,942	4,846	904
Park	3,949	3,968	19
School	9,623	9,715	92
Total Single Family	17,514	18,529	1,015
Multifamily (per unit)			
Transportation	2,311	2,762	451
Park	2,583	3,016	433
School	745	816	71
Total Multifamily	5,639	6,594	955
Commercial	per vehicle trip	per person trip	Varies by Use
Transportation	3,903	3,342	(561)
Park	n/a	n/a	n/a
School	n/a	n/a	n/a

Impact Fee Deferrals

Since 2010, the City has provided for voluntary deferral of payment of impact fees by single family development until closing of the sale. Legislation passed in 2015 requires all agencies to have an impact fee deferral program for single family and multifamily residential construction, necessitating some changes to the current program. **Staff recommends that the program be extended to multifamily, with fees collected either at building permit issuance or at 18 months (the limit provided in the statute), whichever is sooner, and modifying the single family deferral to be consistent with this approach.**

Staff convened a meeting of developers to discuss the proposed changes on September 3, 2015. Representatives of eight development firms and the Master Builders were in attendance and provided valuable feedback and appreciated the City's willingness to meet with them before the proposals were brought forward from Council action.

Based on Council feedback on September 15, staff will prepare ordinances for adoption on December 8, with an effective date of January 1, 2016.



CITY OF KIRKLAND

Department of Public Works

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MEMORANDUM

To: Kurt Triplett, City Manager

From: David Godfrey, P.E., Transportation Engineering Manager
Kathy Brown, Public Works Director

Date: September 3, 2015

Subject: TRANSPORTATION IMPACT FEES

RECOMMENDATION:

It is recommended that City Council receive a briefing and provide direction concerning the updating of Transportation impact fees.

BACKGROUND DISCUSSION:

Council received a briefing on transportation impact fees in November 2014 and April 2015. Since that time, staff has refined the 20 year project list and land use forecasts and has finalized impact fee rates as described in the Transportation Impact Fee Rate Study (Attachment A).

Transportation impact fees are designed to collect a fair share of transportation capacity improvement costs from new development. The Growth Management Act allows impact fees to be charged for system improvements that reasonably relate to the impacts of new development and specifies that fees are not to exceed a proportionate share of the costs of improvements.

Impact fees are part of a development's transportation mitigation requirements.

Developments also must undergo a concurrency evaluation, which determines whether there is sufficient transportation infrastructure to support the new development. Developers pay an impact fee to cover a development's share of the transportation system costs. Developments are also subject to SEPA review and are required to make improvements that arise from code requirements, for example installing sidewalk along a property's frontage.

Impact fee rates are a function of the ratio of:

1. The costs of capital capacity projects needed in order to support future growth to;
2. The number of new trips that are expected from new development over the same period.

Updates to the fees are necessitated by one of the following changes in the impact fee calculation ratio:

- Significant changes in the list of projects that support capacity ("project costs" in Figure 1), or;

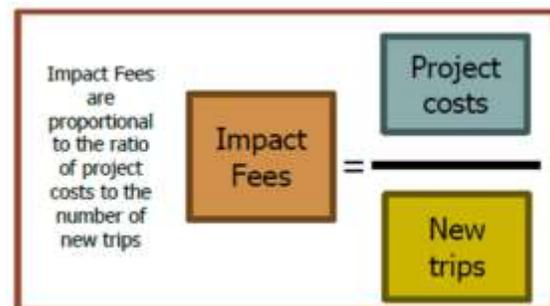


Figure 1. Relation of project costs and new trips to Impact Fees.

- Significant changes to the land use plan from which trips are projected (“new trips” in Figure 1).

Typically, impact fee updates are updated every three years.

The Draft Transportation Master Plan currently under review by the City Council establishes a multimodal transportation approach to supplying system capacity. As part of the Transportation Master Plan, a network of roadway, biking, walking and transit projects has been described and confirmed by City Council. Therefore, the breadth of transportation projects considered for impact fees has been expanded to include a wider range of projects that provide person trip capacity, rather than only auto trip capacity. This is a significant and forward-thinking policy departure from the current impact fee program, which is almost exclusively auto oriented.

This change in approach to impact fees requires a larger project list. This means that there will be more costs eligible for funding by impact fee revenues. At the same time, however, the growth forecasts for the City over the next 20 years are higher than they were when the current impact fee program was developed. This higher growth rate, coupled with the expanded definition of capacity to include non-motorized modes, yields a larger base over which to spread the impact fee costs, partially counteracting the effect on rates from increasing the number of projects eligible for impact fee funding. (See Figure 1.)

Methodology

The steps involved in development of Kirkland’s impact fees are shown in Figures 2 and 3. The key steps include:

- Establishing travel forecasts and trip patterns (based on land use data and the future transportation network);
- Identifying growth-related transportation projects and costs; and,
- Preparing the fee schedule.

Project List

As described above, a multimodal project list that goes beyond the traditional roadway and intersection capacity projects has been compiled and is detailed in the rate study (Attachment A). The total project list includes the modal components shown in Table 1. The total project list cost of \$127 million is more than twice the cost of the current impact fee program.

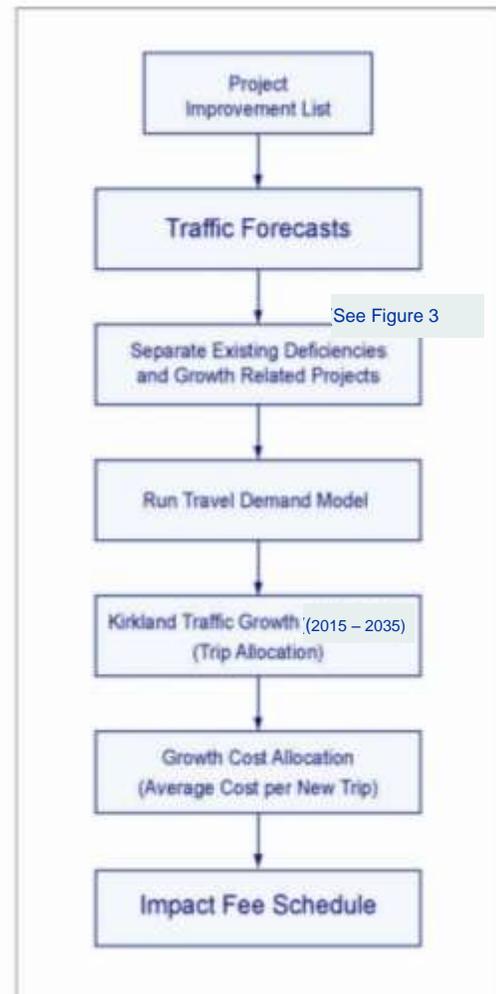


Figure 2. Impact Fee Methodology

Table 1. Impact Fee project costs by Mode

Transportation Mode	Cost (millions)
Motor Vehicles (traffic capacity; efficiency-ITS)	\$66
Transit (speed & reliability; passenger environment)	\$1
Walk (sidewalks; Cross Kirkland Corridor)	\$36
Bike (bike lanes; greenways)	\$24
Total Impact Fee Project List	\$127

These projects all add person trip capacity to the City’s transportation network. Notably, the list includes a portion of the Cross Kirkland Corridor (CKC) costs, since the CKC will provide a vital north-south transportation link within the City. To facilitate calculation of the CKC component and other non-motorized portions of the fee, person movement rather than traffic volumes are used to calculate trips for the impact fee program.

Costs and trips for Impact Fees

Impact fees cannot be used to fund projects that address existing deficiencies or growth impacts that occur from growth outside of Kirkland (see Figure 3). Because of this, only approximately \$50 Million (40%) of the total project costs is allocated to the impact fee calculation.

Because of greater anticipated growth in development, the new 20-year growth forecasts at 15,000 trips are about 70 percent higher than the previous forecasts.

Impact Fee Rate

The impact fee eligible costs are divided by the projected person trip growth to produce a “cost per trip.” (See Figure 1.) Dividing the \$50.128 million in project costs by the 15,000 trips gives a PM Peak Hour Cost per Person Trip of \$3,341.85

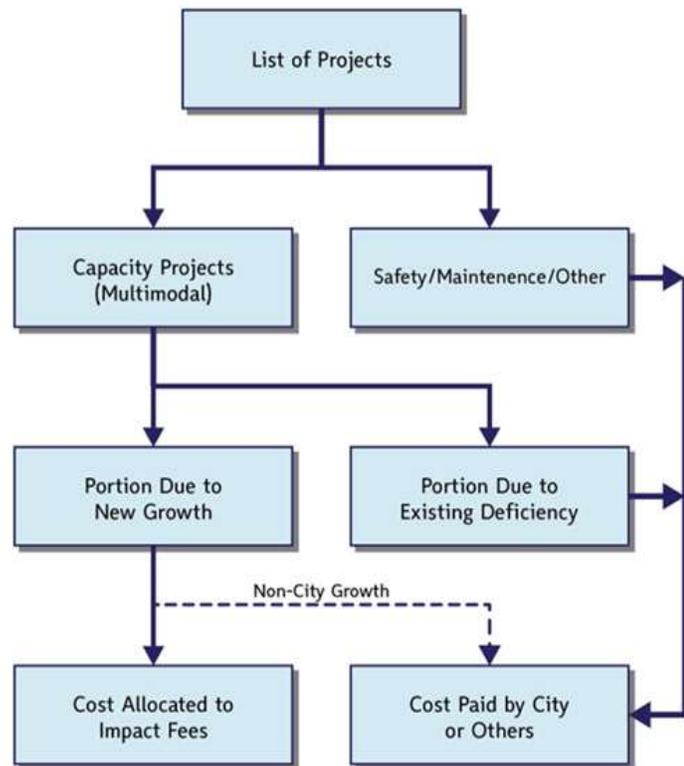


Figure 3. Project costs allocated to Impact Fees

To compare the new rate with the current rate, it’s necessary to convert the new person trip rate to an equivalent rate based on vehicle trips since the current impact fee rate is based on vehicle trips. The new rate is approximately \$4,579 per vehicle trip and the current rate is \$3,903.26 per vehicle trip end.

In the final step of the impact fee process, the cost per trip is converted into an impact fee schedule that shows fees as dollars per unit of development for different land use categories. Rates for some selected land uses are shown in the Table 2 below. A full comparison of

proposed rates versus existing rates is shown below in Table 4 on page 7. The more detailed fee schedule is included in the Rate study (Attachment A).

Table 2 Existing and proposed Impact Fees for selected Land Use categories.

Land Use	Unit	Fee/unit		
		Existing	Proposed	Proposed -Existing
Detached Housing	Dwelling	\$3,942	\$4,846	\$904.00
Attached Housing	Dwelling	\$2,311	\$2,762	\$451.00
Restaurant	Square Feet	\$22.72	\$16.61	(\$6.11)
Shopping Center	Square Feet	\$4.62	\$4.78	\$0.16
General Office	Square Feet	\$7.63	\$7.71	\$0.08
Industrial Park	Square Feet	\$5.33	\$4.92	(\$0.41)

As can be seen in Table 2, the percentage difference between new and proposed rates differs based on land use. This is due in part to the change from vehicle trips to person trips as a basis for computing impact fees. The ratio of the vehicle-to-person trip conversion factor varies by land use category. For example, residential uses have a high ratio of person trips to vehicle trips (1.45 person trips for every vehicle trip for detached housing). This results primarily from the additional walking and biking trips that originate at a home compared to other land uses. A complete list of person trip to vehicle trip ratios are shown in Table 3 of the Rate Study (Attachment A).

As shown in Table 3 below, the new rate is at the lower range of impact fee rates being charged by cities on the Eastside.

Table 3 Transportation Impact Fees for selected Eastside Cities

City	Cost per single family house
Sammamish	\$14,204
Issaquah	\$7,904
Newcastle	\$6,475
Bothell	\$5,481
Redmond	\$5,159
Kirkland (Proposed)	\$4,846
Bellevue (2016 rate)	\$4,419
Woodinville (2016 rate)	\$3,950
Kirkland (Existing)	\$3,942
Renton	\$2,857

Change in use

Change in use refers to a change in the use of a building and corresponding increases in impact fees. For example, as can be seen from Table 2, if a General Office space (\$7.71/sq. ft.) were converted to a Restaurant (\$16.61/sq. ft.), a case could be made that additional impact fees would be due: (\$16.61 – \$7.71)/square foot.

The City Council approved Ordinance 4288 on January 18, 2011 which temporarily suspended the charging of impact fees for change-in-use of existing buildings through December 31, 2013. The fees were suspended in response to direction received from the City Council related to the recession's effect on economic development. On December 11, 2012 the Council approved Ordinance 4393 which extended the suspension through December 31, 2014. In November of 2014, Council renewed an ordinance suspending the charging of impact fees relating to changes in land use (KMC 27.04.035); that ordinance expires at the end of 2015.

Based on Council direction, a decision as to whether or not to continue the suspension of change in use fees is to be made as part of the current update to impact fees. As described above, the main reason for suspending change in use impact fees was to eliminate possible barriers to new businesses. A related reason was that a change in use fee may hit small businesses particularly hard. On the other hand, suspension of impact fees for changes in use causes new trips to be put on the network without making payment of their fair share of system improvements.

Data on the changes in use for the period 2011 through 2014 were presented in November of 2014, and are included here as Attachment B. The fee suspension was used heavily in 2011 and 2012 (\$403,889 in 2011 and \$511,996 in 2012) and then tapered off in 2013 and has been used only once in 2014 through August of 2015.

In previous briefings, we discussed a General Retail designation that would remove the need to pay an impact fees for a change in use where this designation was in place. After further discussions between staff and the consultants, staff has developed another option the Council may wish to consider.

This option is to make change in use cases that generate less than 25 PM peak person trip ends from the new use exempt from impact fees when there is a change in use. The reasoning for using 25 person trips as a threshold is as follows. Attachment B shows a rough break point in the size of developments that previously used the change in use fee at 5,000 square feet (sf).; most of the change in use cases were either less than or considerably larger than 5,000 sf. Considering a variety of land uses, a 5,000 sf development generates about 25 PM peak hour person trip ends. Therefore, using 25 trips would preserve the benefits to smaller developments, but retain the ability to capture fair share payments from larger developments. Change of use impact fees would still apply when a building is replaced, enlarged, or substantially redeveloped.

Council may want to consider other options for handling change in use such as:

1. Fully charge for changes in use.
2. Continue with no changes for any changes in use.
3. Waive change in use fees for certain types of land use such as one type of retail to another type of retail.

Discounting in Downtown Kirkland

There is currently a provision for discounting impact fees in the Kirkland Central Business District (CBD) for certain land uses.

Staff is recommending eliminating this discount for the following reasons:

- Discounting downtown developments essentially means that non-downtown developments would be subsidizing downtown transportation projects.
- Other high density centers, such as Totem Lake, are important targets for future development, similar to downtown Kirkland. It would not be equitable to continue to provide for discounts to the downtown, without providing discounts to other dense areas of the City, especially the City's only designated urban center. Lowering the fees in multiple economic centers of the City would further exacerbate the subsidies of these areas by all other parts of the City.
- Impact fees are not of such a magnitude that they would likely have an adverse impact on the viability of further development in downtown Kirkland.

Table 4. Comparison of Existing and Proposed Impact Fee Rates

Land Use	Unit of Measure	Previous Fee Per Unit	New Fee per Unit	Proposed - Existing
			persons	
Cost per Trip End >			\$3,341.85	
Residential				
Detached Housing	dwelling	\$ 3,942.00	\$ 4,845.69	\$ 903.69
Attached and Stacked Housing	dwelling	\$ 2,311.00	\$ 2,762.04	\$ 451.04
Senior Housing	dwelling	\$ 1,155.00	\$ 1,381.02	\$ 226.02
Nursing Home	bed	\$ 687.00	\$ 717.56	\$ 30.56
Congregate Care/ Assisted Living	dwelling	\$ 531.00	\$ 554.48	\$ 23.48
Commercial - Services				
Drive-in Bank	sq ft/GFA	\$ 45.91	\$ 27.60	\$ (18.31)
Walk-in Bank	sq ft/GFA	\$ 44.36	\$ 16.96	\$ (27.40)
Day Care Center	sq ft/GFA	\$ 22.05	\$ 21.56	\$ (0.49)
Hotel	room	\$ 2,632.00	\$ 3,322.76	\$ 690.76
All Suites Hotel	room	\$ 1,784.00	\$ 2,215.17	\$ 431.17
Service Station/Minimart	VFP	\$ 7,610.00	\$ 11,771.61	\$ 4,161.61
Movie Theater	screens	N/A	\$ 31,062.77	N/A
Health Club	sq ft/GFA	\$ 10.50	\$ 9.56	\$ (0.94)
Racquet Club	sq ft/GFA	\$ 2.17	\$ 2.87	\$ 0.70
Marina	Berth	\$ 587.00	\$ 617.50	\$ 30.50
Commercial - Institutional				
Elementary School/Jr. High School	student	\$ 500.00	\$ 279.57	\$ (220.43)
High School	student	\$ 312.00	\$ 272.58	\$ (39.42)
University/College	student	\$ 636.00	\$ 534.68	\$ (101.32)
Church	sq ft/GFA	\$ 2.72	\$ 2.37	\$ (0.35)
Hospital	sq ft/GFA	\$ 5.27	\$ 4.33	\$ (0.94)
Commercial - Restaurant				
Quality Restaurant	sq ft/GFA	\$ 22.72	\$ 16.61	\$ (6.11)
High-Turnover Restaurant	sq ft/GFA	N/A	\$ 22.24	N/A
Fast Food Restaurant w/o drive thru	sq ft/GFA	\$ 29.16	\$ 30.46	\$ 1.30
Fast Food Restaurant w drive thru	sq ft/GFA	\$ 38.63	\$ 38.03	\$ (0.60)
Industrial				
Light Industry/High Technology	sq ft/GFA	\$ 6.08	\$ 5.61	\$ (0.47)
Industrial Park	sq ft/GFA	\$ 5.33	\$ 4.92	\$ (0.41)
Warehousing/Storage	sq ft/GFA	\$ 2.92	\$ 1.85	\$ (1.07)
Commercial - Retail				
Shopping Center	sq ft/GLA	\$ 4.62	\$ 4.78	\$ 0.16
Auto Parts Sales	sq ft/GFA	\$ 5.92	\$ 6.75	\$ 0.83
Auto Care Center	sq ft/GLA	\$ 4.48	\$ 4.31	\$ (0.17)
Car Sales - New/Used	sq ft/GFA	\$ 10.83	\$ 11.23	\$ 0.40
Convenience Market	sq ft/GFA	\$ 34.19	\$ 38.89	\$ 4.70
Discount Club	sq ft/GFA	\$ 13.24	\$ 12.27	\$ (0.97)
Free Standing Discount Store	sq ft/GFA	\$ 8.30	\$ 8.89	\$ 0.59
Hardware/Paint Store	sq ft/GFA	\$ 6.42	\$ 7.09	\$ 0.67
Home Improvement Superstore	sq ft/GFA	\$ 4.02	\$ 3.31	\$ (0.71)
Nursery/Garden Center	sq ft/GFA	\$ 5.04	\$ 9.62	\$ 4.58
Pharmacy(with Drive Through)	sq ft/GFA	\$ 8.17	\$ 10.01	\$ 1.84
Quick Lubrication Vehicle Shop	Service Bay	\$ 3,936.00	\$ 4,111.07	\$ 175.07
Supermarket	sq ft/GFA	\$ 18.36	\$ 14.84	\$ (3.52)
Tire Store	Service Bay	\$ 5,030.00	\$ 5,047.35	\$ 17.35
Miscellaneous Retail	sq ft/GLA		\$ 4.78	\$ 4.78
Commercial - Office				
General Office Building	sq ft/GFA	\$ 7.63	\$ 7.71	\$ 0.08
Medical Office/Clinic	sq ft/GFA	\$ 14.93	\$ 14.48	\$ (0.45)
Notes:				
VFP= Vehicle Fueling Positions (Maximum number of vehicles that can be fueled simultaneously)				
GFA= Gross Floor Area				
For uses with Unit of Measure in sq ft, trip rate is given as trips per 1000 sq ft				
Note 1. Senior Housing rate is 1/2 of Attached and Stacked Housing rate				

ATTACHMENT A TO ATT 1

Transportation Impact Fee Update Rate Study

Prepared for:
City of Kirkland

September 2015

SE13-0304

by

FEHR & PEERS

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INTRODUCTION

This report provides an update to the Transportation Impact Fee Program for the City of Kirkland. The update was prepared for the following reasons:

- The Growth Management Act (GMA) requires regular updates to impact fee programs. The last Transportation Impact Fee program update was adopted by the City in 2007.
- New projects have been added from the City's Transportation Master Plan (TMP) and Capital Improvement Program (CIP), while projects on the original impact fee project list have been completed.
- The costs of projects on the impact fee project list have increased due to inflation and changing project scope since the last program update in 2007.
- The patterns of traffic growth, land use, and redevelopment have changed.

The remaining sections of the report describe the impact fee program methodology, the analyses performed, and the resulting recommendations.

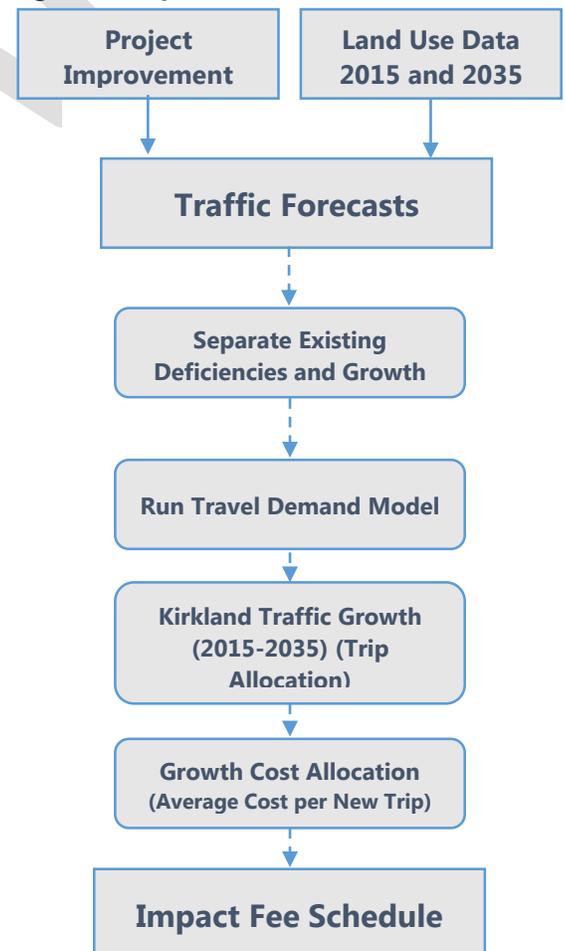
METHODOLOGY

The impact fee structure for the City of Kirkland was designed to determine the fair share of improvement costs that may be charged for a new development. The GMA allows impact fees for system improvements that reasonably relate to the impacts of new development, and specifies that fees are not to exceed a proportionate share of the costs of improvements.

The following key points summarize the impact fee structure (refer to **Figure 1**):

- A 20-year project improvement list (2015 – 2035) oriented to future growth was developed.
- Existing deficiencies were identified and separated from future trips on the roadway system.
- Future trips were allocated to geographic areas inside and outside the City.
- A land use-based fee schedule was developed.

Figure 1. Impact Fee Structure



IMPACT FEE PROJECT LIST

Washington State law (RCW 82.02.050) specifies that Transportation Impact Fees are to be spent on “system improvements.” System improvements can include physical or operational changes to existing roadways, as well as new roadway connections that are built in one location to benefit projected needs at another location. These are generally projects that add capacity (new streets, additional lanes, widening, signalization, etc.).

During the City's Transportation Master Plan (TMP) process, the City identified transportation projects needed by 2035 to meet the adopted Level of Service (LOS) standards and ensure that adequate facilities are provided for all travel modes. As a result, the impact fee project list includes a network of vehicular, biking, walking and transit-supportive projects on the city's roadway system. These capital projects form the basis for the City's impact fee and the 2035 concurrency project list.

The resulting project list is shown in **Table 1**. These projects are also shown in **Figure 2**. The total project list includes the following modal components:

- Motor vehicles (traffic capacity; efficiency-ITS) - \$66 million
- Transit (speed & reliability; passenger environment) - \$1 million
- Walk (sidewalks; Cross Kirkland Corridor) - \$36 million
- Bike (bike lanes; greenways) - \$24 million
- **Total Impact Fee Project List - \$127 million**

The total project list cost of \$127 million is over double the cost of the current impact fee program.

These projects all add person capacity to the city's transportation network. Notably, the list includes a portion of the Cross Kirkland Corridor (CKC) costs, since the CKC will provide a vital north-south transportation link within the city. The impact fee portion of the CKC focuses on providing effective crossings of existing roadways.

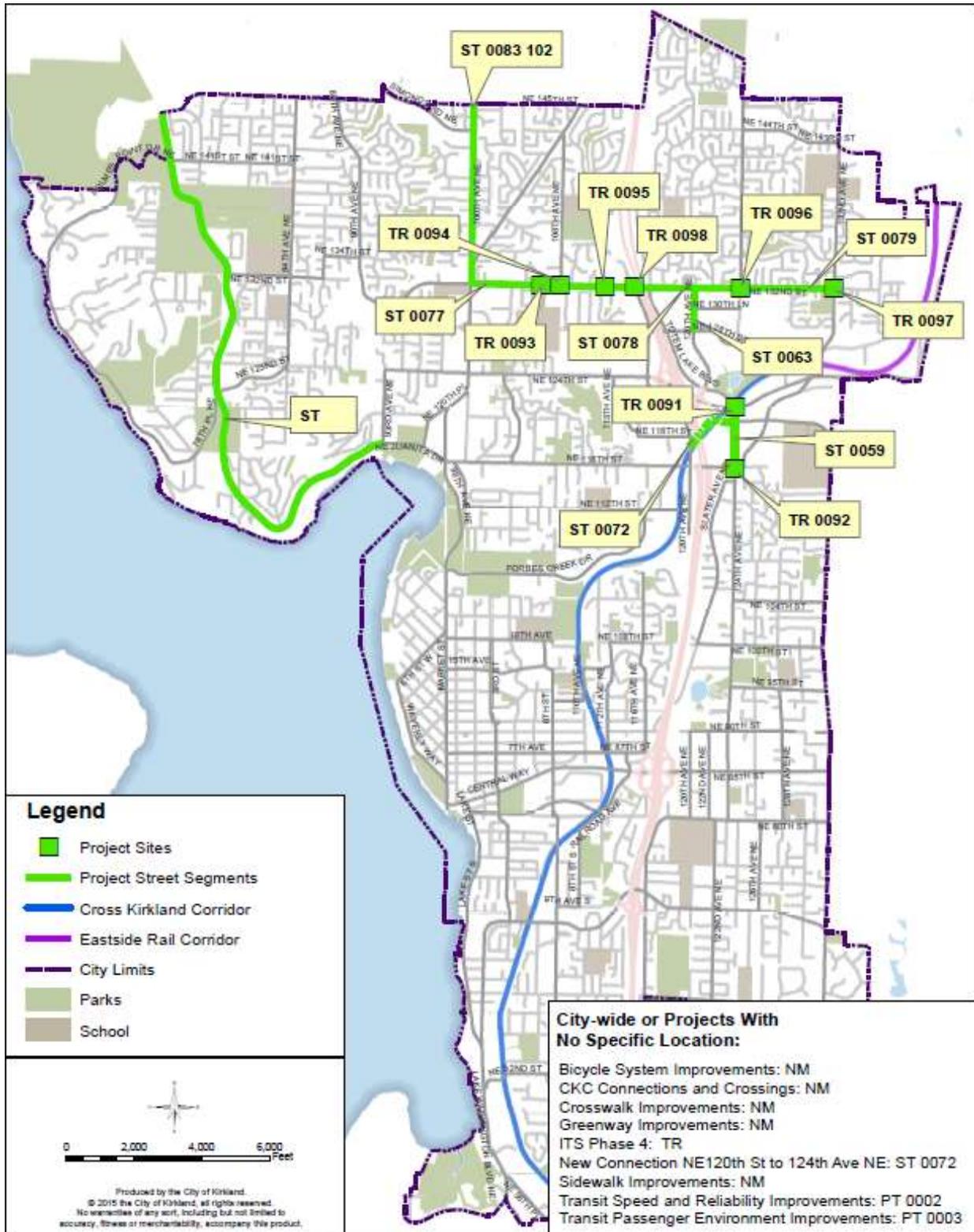


TABLE 1. IMPACT FEE PROJECTS

Transportation Impact Fees- Project List				
ID	Project Title	Project Description	Source	Estimated Cost
Roadway				
R1	NE 132nd Phase I (west)	Rechannelize, sidewalks, bike lanes	ST 0077	\$ 1,348,000
R2	NE 132nd Phase I (mid)	Rechannelize, sidewalks, bike lanes	ST 0078	\$ 316,000
R3	NE 132nd Phase I (east)	Rechannelize, sidewalks, bike lanes	ST 0079	\$ 1,119,000
R4	NE 132nd St/Juanita High School Access Road Intersection Improvements	Construct a 250 foot eastbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio.	TR 0093 000	\$ 916,000
R5	NE 132nd St/108th Ave NE Intersection Improvements	Construct a 250 foot westbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio.	TR 0094 000	\$ 618,000
R6	NE 132nd St/Fire Station Access Intersection Improvement	Modify existing signal to include pedestrian actuated option, as recommended in the NE 132nd Street Master Plan.	TR 0095 000	\$ 366,000
R7	NE 132nd St/124th Ave NE Intersection Improvements	Extend existing eastbound left turn lane to 500 feet and add a second 500 foot eastbound left turn lane. Widen and restripe east leg, and north leg.	TR 0096 000	\$ 5,713,000
R8	NE 132nd St/132nd Ave NE Intersection Improvements	Extend the eastbound left turn and right turn lanes to 500 feet.	TR 0097 000	\$ 889,000
R9	NE 132nd St/116th Way NE - Totem Lake Boulevard (I-405) Intersection Improvements	Coordination of City ROW and intersection improvements in association with the WSDOT's Half-Diamond Interchange at NE 132nd Street and I-405, between 116th Way NE and Totem Lake Blvd.	TR 0098 000	\$ 300,000
R10	100th Ave NE Roadway Improvements	Widen existing roadway to improve current 5-lane to 2-lane transition.	ST 0083 102	\$ 10,000,000
R11	Juanita Drive Improvements	Roadway improvements from Juanita Drive Corridor Master Plan	ST _____	\$ 5,500,000
R12	NE 124th St/124th Ave NE Intersection Improvements	Widen north (southbound) leg to allow second left-turn lane, extend right-turn-only lane to become a through-right (right of way acquisition at railroad triangle required).	TR 0091 000	\$ 3,503,300
R13	NE 116th St/124th Ave NE Northbound Dual Left-turn lanes	This project will reconstruct the south leg (124th Ave NE) of the intersection to allow for two northbound left-turn lanes from 124th Ave NE to NE 116th Street.	TR 0092 000	\$ 1,700,000
R14	120th Avenue NE (NE 128th St to NE 132nd St)	Widen to a 5 lane cross section. Three signalized intersections will be reconstructed.	ST 0063 000	\$ 4,500,000
R15	ITS Phase 4	ITS Communication System and ITS Signal Upgrades adaptive control and traveler information updates	TR _____	\$ 3,620,000
R17	124th Ave NE (NE 116th St to NE 124th St)	Widen to 5 lanes	ST 0059 000	\$ 10,000,000
R18	NE 120th St Extension (124th Ave NE to 120th Ave NE under I-405)	New connection	TR 0072	\$ 15,708,609
Transit				
T1	Transit Speed and Reliability Improvements	Citywide improvements for transit speed and reliability	PT 0002	\$ 500,000
T2	Transit Passenger Environment Improvements	Citywide improvements to transit stops	PT 0003	\$ 500,000
Non-Motorized				
NM1	Bicycle system	Bicycle system including buffered lanes	NM _____	\$ 17,900,000
NM2	Greenways	Full Greenway Network	NM _____	\$ 6,000,000
NM3	Cross Kirkland Corridor Connections and Crossings	CKC Connections and Street Crossings	NM _____	\$ 17,467,000
NM4	Walkways	Walkway on one side of collector and arterials- School Walk Routes and 10 minute neighborhoods	NM _____	\$ 13,500,000
NM5	Crosswalks	Crosswalks on arterials	NM _____	\$ 5,030,000
Total				\$ 127,013,909



Figure 2. Transportation Impact Fee Projects



TRAVEL GROWTH

For the impact fee analysis, a 20-year travel growth estimate was used consistent with the city's adopted land use plan. **Table 2** shows Kirkland land uses in terms of housing (single family and multi-family) and employment (retail, office, and industrial) units for the years 2010 and 2035. The 2010 data were subsequently adjusted to 2015 to account for previously approved and occupied developments.

TABLE 2. KIRKLAND LAND USE GROWTH

Land Use Category	Unit of Measure	2010	2035	Growth
Single Family Housing	Dwelling Units	29,125	30,160	1,035
Multi-Family Housing	Dwelling Units	7,740	15,130	7,390
Office/Education	Employees	25,250	35,320	10,070
Retail	Employees	7,580	15,110	7,530
Industrial	Employees	5,640	10,130	4,490

Source: City of Kirkland

The land use growth forecasts are higher than they were when the current impact fee program was developed, resulting in about 70 percent higher travel volumes over 20 years compared with the previous forecasts. Part of this increase is due to the geographic expansion of the city in 2011.

To facilitate analysis of all modes, the travel growth associated with the land use was calculated as person volumes rather than traffic. Using the city's travel demand model and professionally-accepted trip generation tools, an estimate of 15,000 new PM peak hour person trip ends¹ was estimated for the 2015-2035 period.

COST ALLOCATION

To meet GMA requirements, the City uses an impact fee methodology that distinguishes between facility improvements that address existing deficiencies and those that are needed to serve new growth. The resulting growth-related improvements are then separated into the Kirkland and non-Kirkland portions.

¹ A trip travels between an origin and a destination. Each trip has two trip ends, one each at the origin and destination. Trip ends represent the persons coming to and from a given land use. The person trip ends were calculated using an average of results obtained from trip generation formulas used by the Institute of Transportation Engineers and the City's travel demand model.



TRANSPORTATION DEFICIENCIES

Transportation deficiencies were calculated separately for motorized and non-motorized projects. For motorized projects, existing Levels of Service (LOS) were calculated at a corridor level consistent with the new Level of Service methodology adopted as part of the TMP. Using this method, there were no existing motorized deficiencies identified.

For non-motorized and transit-supportive projects, a different approach to deficiency analysis was taken, since these types of projects do not lend themselves to a traditional LOS analysis. Instead, an assumption was made that both existing and future travelers create the need for these projects proportional to their magnitude of trip making. By comparing the existing and future land uses (**Table 2**) and resulting trip generation, it was estimated that new growth would represent about 25 percent of total travelers in 2035. Conversely, 75 percent of travel would come from existing land uses, constituting the 'existing deficiency' portion.

PERCENT OF GROWTH WITHIN KIRKLAND

Once existing deficiencies were removed, the remaining costs are attributable to growth. However, not all of the growth comes from Kirkland development – there is a portion of growth that comes from surrounding jurisdictions. Adjustments were made for trips that pass through Kirkland or only have one end of the trip starting or ending in Kirkland.

For motorized projects, the City's travel demand model was used to determine the proportions of traffic growth associated with Kirkland and non-Kirkland trips. For non-motorized and transit-supportive projects, most of the users would be Kirkland travelers given the nature of the projects and typical trip lengths of non-motorized travelers. Professional judgment was used to estimate the Kirkland growth proportions for these projects.

Appendix A shows the resulting percentages of growth within Kirkland.

COST ALLOCATION RESULTS

For discussion purposes, the dollar amounts shown in the following figures and text descriptions are rounded values expressed in millions of dollars. The actual amounts used in the calculations are accurate to a single dollar.

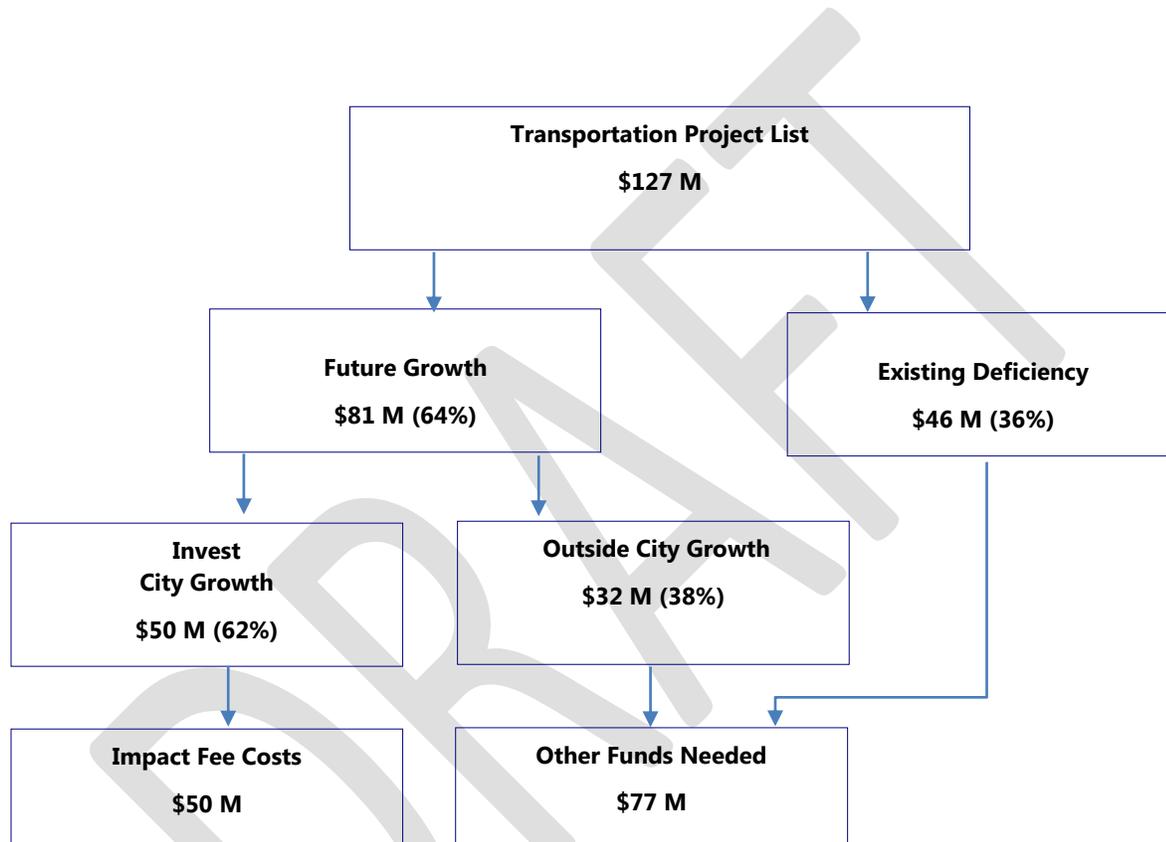
The total cost of the projects on the capacity project list is \$127 million as shown in **Figure 3**. Of this amount, \$46 million is estimated to be due to existing deficiencies, leaving costs of \$81 million attributable to growth.



The \$81 million was then split into 'city growth' and 'outside city growth'. The details of this calculation are shown in **Appendix A**.

The resulting city growth responsibility equals \$50 million, or 62 percent of the total growth costs. This is the amount that can be charged as impact fees to development in Kirkland. The remaining \$77 million would be expected to be obtained from other sources of funding.

Figure 3. Impact Fee Cost Allocation (2015 – 2035)



In summary, the impact fees could contribute almost 40 percent of the total \$127 million cost of the improvement projects. City matching funds, new grants, and other sources would provide the remaining 60 percent of the total project costs.

The final step in the cost allocation process dealt with calculating the "cost per new trip end" within Kirkland, derived by dividing the total eligible project cost by the total number of new PM peak hour trip ends based in Kirkland. A total of 15,000 new PM peak hour person trip ends are estimated to occur within the City between 2015 and 2035.



The analysis produced the following results.

Impact fee costs	\$ 50,127,787
Divided by:	
New PM peak hour person trip ends	<u>÷ 15,000</u>
Equals:	
Cost per new person trip end	\$ 3,341.85

IMPACT FEE SCHEDULE

The impact fee schedule was developed by adjusting the "cost per trip end" information to reflect differences in trip-making characteristics for a variety of land use types within the study area. The fee schedule is a table where fees are represented as dollars per unit for each land use category. **Table 3** shows the various components of the fee schedule (vehicle trip generation rates, person trip rates, new trip percentages, trip lengths, and trip length adjustment for each land use). Certain land uses were modified, added, or removed from the current fee schedule to reflect recent development trends within the City and changes to the national trip generation database.

TRIP GENERATION

Trip generation rates for each land use type are derived from a variety of sources. Vehicle trip rates were obtained from the Institute of Transportation Engineers (ITE) *Trip Generation* report (9th Edition). These rates are expressed as vehicle trip ends during the PM peak hour.

The vehicle trip ends were converted to person trip ends using methods consistent with those in the ITE *Trip Generation Handbook* (3rd Edition, 2014). Person trip generation data for model-consistent land use categories (i.e. residential, school, retail, office, industrial) were obtained from the City of Redmond *Household and Employee Travel Survey* (2010). Using these data, factors were developed to convert ITE vehicle trip rates into person trip rates². A consistent factor was used for each individual land use within a category. For example, all retail uses had the same factor to convert from vehicle to person trips.

² Conversion factors for vehicle to person trips: Residential (1.45); Retail and Services (1.22); Office (1.18); Industrial (1.09)



PASS-BY TRIP ADJUSTMENT

The trip generation rates represent total persons entering and leaving a property. For certain land uses (e.g., retail), a substantial amount of the motorized travel is already passing by the property and merely turns into and out of the driveway. These pass-by trips do not significantly impact the surrounding street system and therefore are subtracted out prior to calculating the impact fee. The resulting trips are considered "new" trips and are therefore subject to the impact fee calculation. The "new" trip percentages are derived partially from the ITE *Trip Generation Handbook* (3rd Edition) and from available surveys conducted around the country³.

TRIP LENGTH ADJUSTMENT

Another variable that affects traffic impacts is the length of the trip generated by a particular land use. The "cost per trip" calculated in the impact fee program represents an average for all new trips generated within Kirkland. Being an average, there will be certain land uses that generate trips of different lengths. If a given trip length is shorter than the average, then its relative traffic impacts on the street system will be lower than average. Conversely, longer trips will impact a larger proportion of the transportation network. In order to reflect these differences, the method includes an adjustment factor, which is calculated as the ratio between the trip length for a particular land use type and the "average" trip length for the City.

Trip length data were estimated using limited national surveys of vehicle trips⁴⁵. Since the adjustment uses a ratio, the relative trip lengths are more important than the actual trip length. The average new trip length estimated for Kirkland was 3.5 miles based upon the 2035 mix of land use types within the study area. Using this average, a trip length adjustment was applied for each land use type.

³ 'New' trip percentages are based on vehicle trips surveyed at land use sites. No comparable non-motorized data are available.

⁴ Trip length primary data sources: Pinellas County (FL) Impact Fee Study; City of Tampa (FL) Transportation Impact Fee Update

⁵ Person trip lengths are not available for individual land use types but can be estimated for broad land use categories (e.g. residential, retail, office etc.) using household travel survey results and travel demand models. Limited analysis of these data using Puget Sound regional surveys indicate that trip length adjustments based on person trips would produce results reasonably comparable to the vehicle trip lengths, but at a more generalized scale. As a result, a decision was made to retain the more detailed trip length adjustments shown in the table absent further person trip length data becoming available.



SCHEDULE OF RATES

The impact fee rates are shown in the last column in **Table 3**. In the fee schedule, fees are shown as dollars per unit of development for various land use categories, as defined in **Appendix B**. The impact fee program is flexible in that if a use does not fit into one of the categories, an impact fee can be calculated based on the development's projected trip generation.

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TABLE 3. IMPACT FEE SCHEDULE

Land Uses	Unit of Measure	ITE Land USE Code	Vehicle Trip Rate	Person Trip Rate	New Trip %	Trip Length (miles)	Trip Length Adjustment	New Fee per Unit
								persons
Cost per Person Trip End >								\$3,341.85
Trip Length								
Residential								
Detached Housing	dwelling	210	1.00	1.45	100%	3.5	1.00	\$ 4,846
Attached and Stacked Housing	dwelling	220,221,230,233	0.57	0.83	100%	3.5	1.00	\$ 2,762
Senior Housing	dwelling	See note 1	0.29	0.41	100%	3.5	1.00	\$ 1,381
Nursing Home	bed	620	0.22	0.27	100%	2.8	0.80	\$ 718
Congregate Care/ Assisted Living	dwelling	253,254	0.17	0.21	100%	2.8	0.80	\$ 554
Commercial - Services								
Drive-in Bank	sq ft/GFA	912	24.30	29.65	65%	1.5	0.43	\$ 27.60
Walk-in Bank	sq ft/GFA	911	12.13	14.80	80%	1.5	0.43	\$ 16.96
Day Care Center	sq ft/GFA	565	12.34	15.05	75%	2.0	0.57	\$ 21.56
Hotel	room	310	0.60	0.87	100%	4.0	1.14	\$ 3,323
All Suites Hotel	room	311	0.40	0.58	100%	4.0	1.14	\$ 2,215
Service Station/Minimart	VFP	945	13.51	16.48	44%	1.7	0.49	\$ 11,772
Movie Theater	screens	445	13.64	16.64	85%	2.3	0.66	\$ 31,063
Health Club	sq ft/GFA	492	3.53	4.31	75%	3.1	0.89	\$ 9.56
Racquet Club	sq ft/GFA	491	1.06	1.29	75%	3.1	0.89	\$ 2.87
Marina	Berth	420	0.19	0.23	90%	3.1	0.89	\$ 617
Commercial - Institutional								
Elementary School/Jr. High School	student	520,522	0.15	0.18	80%	2.0	0.57	\$ 279.57
High School	student	530	0.13	0.16	90%	2.0	0.57	\$ 272.58
University/College	student	550	0.17	0.21	90%	3.0	0.86	\$ 534.68
Church	sq ft/GFA	560	0.55	0.67	100%	3.7	1.06	\$ 2.37
Hospital	sq ft/GFA	610	0.93	1.13	80%	5.0	1.43	\$ 4.33
Commercial - Restaurant								
Quality Restaurant	sq ft/GFA	931	7.49	9.14	56%	3.4	0.97	\$ 16.61
High-Turnover Restaurant	sq ft/GFA	932	9.85	12.02	57%	3.4	0.97	\$ 22.24
Fast Food Restaurant w/o drive thru	sq ft/GFA	933	26.15	31.90	50%	2.0	0.57	\$ 30.46
Fast Food Restaurant w drive thru	sq ft/GFA	934	32.65	39.83	50%	2.0	0.57	\$ 38.03
Industrial								
Light Industry/High Technology	sq ft/GFA	110	0.97	1.06	100%	5.1	1.59	\$ 5.61
Industrial Park	sq ft/GFA	130	0.85	0.93	100%	5.1	1.59	\$ 4.92
Warehousing/Storage	sq ft/GFA	150	0.32	0.35	100%	5.1	1.59	\$ 1.85
Commercial - Retail								
Shopping Center	sq ft/GLA	820	3.71	4.53	65%	1.7	0.49	\$ 4.78
Auto Parts Sales	sq ft/GFA	843	5.98	7.30	57%	1.7	0.49	\$ 6.75
Auto Care Center	sq ft/GLA	942	3.11	3.79	70%	1.7	0.49	\$ 4.31
Car Sales - New/Used	sq ft/GFA	841	2.62	3.20	80%	4.6	1.31	\$ 11.23
Convenience Market	sq ft/GFA	851	52.41	63.94	49%	1.3	0.37	\$ 38.89
Discount Club	sq ft/GFA	857	4.18	5.10	63%	4.0	1.14	\$ 12.27
Free Standing Discount Store	sq ft/GFA	815	4.98	6.08	73%	2.1	0.60	\$ 8.89
Hardware/Paint Store	sq ft/GFA	816	4.84	5.90	74%	1.7	0.49	\$ 7.09
Home Improvement Superstore	sq ft/GFA	862	2.33	2.84	58%	2.1	0.60	\$ 3.31
Nursery/Garden Center	sq ft/GFA	817	6.94	8.47	70%	1.7	0.49	\$ 9.62
Pharmacy(with Drive Through)	sq ft/GFA	881	9.91	12.09	51%	1.7	0.49	\$ 10.01
Quick Lubrication Vehicle Shop	Service Bay	941	5.19	6.33	40%	1.7	0.49	\$ 4,111.07
Supermarket	sq ft/GFA	850	9.48	11.57	64%	2.1	0.60	\$ 14.84
Tire Store	Service Bay	848	3.54	4.32	72%	1.7	0.49	\$ 5,047.35
Miscellaneous Retail	sq ft/GLA	820	3.71	4.53	65%	1.7	0.49	\$ 4.78
Commercial - Office								
General Office Building	sq ft/GFA	710	1.49	1.76	90%	5.1	1.46	\$ 7.71
Medical Office/Clinic	sq ft/GFA	720	3.57	4.21	75%	4.8	1.37	\$ 14.48
Notes:								
VFP= Vehicle Fueling Positions (Maximum number of vehicles that can be fueled simultaneously)								
GFA= Gross Floor Area								
For uses with Unit of Measure in sq ft, trip rate is given as trips per 1000 sq ft								
Note 1. Senior Housing rate is 1/2 of Attached and Stacked Housing rate								



Table 4 provides two examples (residential and office) of the calculation.

TABLE 4. EXAMPLE CALCULATIONS OF IMPACT FEE RATE

		Residential: Detached	Office: General Office
Trip Generation Rate (Vehicles) Conversion (Person / Vehicles)* Trip Generation Rate (Persons)		1.00 X 1.45 1.45	1.49 X 1.18 1.76
x	Percent New Trips	100%	90%
x	Trip Length Adjustment Trip Length (unit)	3.50	5.10
÷	Average Trip Length	÷ 3.5	÷ 3.5
x	Average Cost per Trip End	\$3,342	\$3,342
÷	Divide by 1000 for rate per square foot	NA	1000
=	Impact Fee Rate (per unit)	\$4,846/dwelling	\$7.71/sq ft

* The vehicle-to-person trip conversion factor varies by land use category. Residential uses have the highest ratio of person trips to vehicle trips based on the survey results. This results primarily due to additional walking and biking trips that originate at a home compared to other land uses.



APPENDIX A – COST ALLOCATION RESULTS

Exhibit A illustrates how the impact fee project costs (shown in **Table 1**) were divided into growth-related costs attributable to the City. The first adjustment is for existing deficiencies, as described in the report text. The next adjustment is to calculate the 'Percent of Growth within Kirkland', which contains the results of the analysis to separate Kirkland and non-Kirkland growth. For motorized projects, the City's travel demand model was used to identify the portion of trips associated with Kirkland and non-Kirkland traffic. A technique called "select-link" analysis was used to isolate the vehicle trips using each of the impact fee projects. The growth percentages for non-motorized and transit-oriented projects are also applied, as described in the report text. The final column of the table shows the growth cost for each project that can be allocated to impact fees.

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Impact Fee Cost Allocation

ID	Project Title	Project Description	Source	Estimated Cost	Existing Deficiency Percent	Existing Deficient Amount	Costs Attributable to Growth	Percent of Growth within Kirkland	Growth Cost Allocated to Impact Fees
Roadway									
R1	NE 132nd Phase I (west)	Rechannelize, sidewalks, bike lanes	ST 0077	\$ 1,348,000	0%	\$ -	\$ 1,348,000	51%	\$ 687,480
R2	NE 132nd Phase I (mid)	Rechannelize, sidewalks, bike lanes	ST 0078	\$ 316,000	0%	\$ -	\$ 316,000	51%	\$ 161,160
R3	NE 132nd Phase I (east)	Rechannelize, sidewalks, bike lanes	ST 0079	\$ 1,119,000	0%	\$ -	\$ 1,119,000	51%	\$ 570,690
R4	NE 132nd St/Juanita High School Access Road Intersection Improvements	Construct a 250 foot eastbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio.	TR 0093 000	\$ 916,000	0%	\$ -	\$ 916,000	51%	\$ 467,160
R5	NE 132nd St/108th Ave NE Intersection Improvements	Construct a 250 foot westbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio.	TR 0094 000	\$ 618,000	0%	\$ -	\$ 618,000	51%	\$ 315,180
R6	NE 132nd St/Fire Station Access Intersection Improvement	Modify existing signal to include pedestrian actuated option, as recommended in the NE 132nd Street Master Plan.	TR 0095 000	\$ 366,000	0%	\$ -	\$ 366,000	51%	\$ 186,660
R7	NE 132nd St/124th Ave NE Intersection Improvements	Extend existing eastbound left turn lane to 500 feet and add a second 500 foot eastbound left turn lane. Widen and restripe east leg, and north leg.	TR 0096 000	\$ 5,713,000	0%	\$ -	\$ 5,713,000	51%	\$ 2,913,630
R8	NE 132nd St/132nd Ave NE Intersection Improvements	Extend the eastbound left turn and right turn lanes to 500 feet.	TR 0097 000	\$ 889,000	0%	\$ -	\$ 889,000	51%	\$ 453,390
R9	NE 132nd St/116th Way NE - Totem Lake Boulevard (I-405) Intersection Improvements	Coordination of City ROW and intersection improvements in association with the WSDOT's Half-Diamond Interchange at NE 132nd Street and I-405, between 116th Way NE and Totem Lake Blvd.	TR 0098 000	\$ 300,000	0%	\$ -	\$ 300,000	51%	\$ 153,000
R10	100th Ave NE Roadway Improvements	Widen existing roadway to improve current 5-lane to 2-lane transition.	ST 0083 102	\$ 10,000,000	0%	\$ -	\$ 10,000,000	52%	\$ 5,200,000
R11	Juanita Drive Improvements	Roadway improvements from Juanita Drive Corridor Master Plan	ST _____	\$ 5,500,000	0%	\$ -	\$ 5,500,000	55%	\$ 3,025,000
R12	NE 124th St/124th Ave NE Intersection Improvements	Widen north (southbound) leg to allow second left-turn lane, extend right-turn-only lane to become a through-right (right of way acquisition at railroad triangle required).	TR 0091 000	\$ 3,503,300	0%	\$ -	\$ 3,503,300	51%	\$ 1,786,683
R13	NE 116th St/124th Ave NE Northbound Dual Left-turn lanes	This project will reconstruct the south leg (124th Ave NE) of the intersection to allow for two northbound left-turn lanes from 124th Ave NE to NE 116th Street.	TR 0092 000	\$ 1,700,000	0%	\$ -	\$ 1,700,000	51%	\$ 867,000
R14	120th Avenue NE (NE 128th St to NE 132nd St)	Widen to a 5 lane cross section. Three signalized intersections will be reconstructed.	ST 0063 000 (\$4.5)	\$ 4,500,000	0%	\$ -	\$ 4,500,000	68%	\$ 3,060,000
R15	ITS Phase 4	ITS Communication System and ITS Signal Upgrades adaptive control and traveler information updates	TR _____	\$ 3,620,000	0%	\$ -	\$ 3,620,000	57%	\$ 2,063,400
R17	124th Ave NE (NE 116th St to NE 124th St)	Widen to 5 lanes	ST 0059 000	\$ 10,000,000	0%	\$ -	\$ 10,000,000	59%	\$ 5,900,000
R18	NE 120th St Extension (124th Ave NE to 120th Ave NE under I-405)	New connection	TR 0072	\$ 15,708,609	0%	\$ -	\$ 15,708,609	59%	\$ 9,268,079
Transit									
T1	Transit Speed and Reliability Improvements	Citywide improvements for transit speed and reliability	PT 0002	\$ 500,000	75%	\$ 375,000	\$ 125,000	90%	\$ 112,500
T2	Transit Passenger Environment Improvements	Citywide improvements to transit stops	PT 0003	\$ 500,000	75%	\$ 375,000	\$ 125,000	90%	\$ 112,500
Non-Motorized									
NM1	Bicycle system	Bicycle system including buffered lanes	NM _____	\$ 17,900,000	75%	\$ 13,425,000	\$ 4,475,000	80%	\$ 3,580,000
NM2	Greenways	Full Greenway Network	NM _____	\$ 6,000,000	75%	\$ 4,500,000	\$ 1,500,000	90%	\$ 1,350,000
NM3	Cross Kirkland Corridor Connections and Crossings	CKC Connections and Street Crossings	NM _____	\$ 17,467,000	75%	\$ 13,100,250	\$ 4,366,750	80%	\$ 3,493,400
NM4	Walkways	Walkway on one side of collector and arterials- School Walk Routes and 10 minute neighborhoods	NM _____	\$ 13,500,000	75%	\$ 10,125,000	\$ 3,375,000	95%	\$ 3,206,250
NM5	Crosswalks	Crosswalks on arterials	NM _____	\$ 5,030,000	75%	\$ 3,772,500	\$ 1,257,500	95%	\$ 1,194,625
Total				\$ 127,013,909		\$ 45,672,750	\$ 81,341,159		\$ 50,127,787

APPENDIX B – LAND USE DEFINITIONS

The following land use definitions are derived from the ITE *Trip Generation* (9th Edition). They have been modified as appropriate for the City of Kirkland.

RESIDENTIAL

Detached Housing: Once or more detached housing units located on an individual lot. Includes accessory dwelling units. (ITE # 210)

Attached and Stacked Housing: A building or buildings designed to house two or more families living independently of each other. Includes apartments, condos, attached duplexes, P.U.D.'s, and attached townhouses. Includes single room occupancy if additional parking provided. (ITE # 220, 221, 230, 233)

Senior Housing: Residential units similar to apartments or condominiums restricted to senior citizens. (ITE # 220, 221, 230, 233; also 251, 255)

Nursing Home/Convalescent Center: A facility whose primary function is to provide chronic or convalescent care for persons who by reason of illness or infirmity are unable to care for themselves. Applies to rest homes, chronic care, and convalescent centers. (ITE # 620)

Congregate Care/Assisted Living Facility: One or more multi-unit buildings designed for those people who are unable to live independently due to physical or mental handicap. Facilities may contain dining rooms, medical facilities, and recreational facilities. (ITE # 253, 254)

COMMERCIAL-SERVICES

Drive-in Bank: A free-standing building, with a drive-up window, for the custody or exchange of money, and for facilitating the transmission of funds. (ITE # 912)

Walk-in Bank: A free-standing bank building without drive-in windows. (ITE # 911)

Day Care Center: A facility for the care of infant and preschool age children during the daytime hours. Generally includes classrooms, offices, eating areas, and a playground. This also includes preschools. (Note: This does not apply to day care homes, family day care, mini-day care centers or mini-schools, rates for which must be separately calculated.) (ITE # 565)



Hotel: A place of lodging providing sleeping accommodations. May include restaurants, cocktail lounges, meeting and banquet rooms or convention facilities. (ITE # 310)

All Suites Hotel: A place of lodging that provides sleeping accommodations, a small restaurant, and lounge and a small amount of meeting space. Each suite includes a sitting room and separate bedroom along with limited kitchen facilities provided. (ITE # 311)

Service Station w/ Minimart: A facility, which combines elements of a convenience store and a gas station. Convenience food items are sold along with gasoline and other car products; gas pumps are primarily or completely self-service. (ITE # 945)

Movie Theater: Consists of audience seating, one or more screens and auditoriums, and a lobby and refreshment stand. Typically includes matinee showings. (ITE # 445)

Health Club: Health clubs are privately owned facilities that primarily focus on individual fitness or training. They generally offer exercise or dance classes, weightlifting, fitness and gymnastics equipment, spas, massage services, locker rooms and small restaurants or snack bars. These may also include ancillary facilities, such as swimming pools, whirlpools, saunas and tennis. (ITE # 492)

Racquet Club: Racquet clubs are privately owned facilities primarily catering to racquet sports, tennis, racquetball, or squash – indoor or outdoor. (ITE # 491)

Marina: A facility providing moorage for boats. (ITE # 420)

COMMERCIAL-INSTITUTIONAL

Elementary and Junior High School: These are facilities of education serving students attending kindergarten through students who have not yet entered high school. These include public and private schools. Schools often provide bus services of varying length, depending upon the type of school and grade level. Elementary School and Junior high School are grouped together with common trip-making characteristics during the PM peak period. (ITE # 520, 522)

High School: High Schools serve students who have completed middle or junior high school. Both public and private high schools are included in this land use. (ITE # 530)

University/College: Facilities of higher education including two-year, four-year and graduate-level institutions. (ITE # 550)

Church: A building providing public worship facilities. Generally houses as assembly hall or sanctuary, meeting rooms, classrooms, and occasionally dining facilities. (ITE # 560)



Hospital: A building or buildings designed for the medical, surgical diagnosis, treatment and housing of persons under the care of doctors and nurses. Rest homes, nursing homes, convalescent homes and clinics are not included. (ITE # 610)

COMMERCIAL-RESTAURANT

Quality Restaurant: A sit down, full-service eating establishment with typical duration of stay of at least one hour. Quality restaurants generally do not serve breakfast; some do not serve lunch; all serve dinner. This restaurant type often uses reservations, is generally not part of a chain, seats patrons individually, and serves patrons via a waiter or waitress. Some have lounge or bar facilities (serving alcoholic beverages), but they are ancillary to the restaurant. (ITE # 931)

High-Turnover Restaurant: A sit-down, full-service eating establishment with typical duration of stay of approximately one hour, usually moderately priced, and frequently part of a restaurant chain. These restaurants generally serve lunch and dinner, sometimes breakfast, may be open 24 hours per day, seats patrons individually, and serves patrons via a waiter or waitress. Some may also contain a bar area for serving food and alcoholic drinks. (ITE # 932)

Fast Food Restaurant: An eating establishment that offers quick food service and a limited menu of items. Food is generally served in disposable wrappings or containers, and may be consumed inside or outside the restaurant building. May have a drive-up window. (ITE # 933, 934)

INDUSTRIAL

Light Industrial/High Technology: A facility where the primary activity is the conversion of raw materials or parts into finished products. Generally also have offices and associated functions. Typical uses are printing plants, material testing laboratories, bio-technology, medical instrumentation or supplies, communications and information technology, and computer hardware and software. (ITE # 110)

Industrial Park: Industrial parks are areas containing a number of industrial or related facilities. They are characterized by a mix of manufacturing, service and warehouse facilities with a wide variation in the proportion of each type of use from one location to another. Many industrial parks contain highly diversified facilities, some with a large number of small businesses and others with one or two dominant industries. Research centers are facilities or groups of facilities devoted nearly exclusively to research and development activities. While they may also contain offices and some light fabrication areas, the primary function is that of research and development. (ITE # 130)

Warehousing/Storage: Facilities that are primarily devoted to the storage of materials, including vehicles. They may also include office and maintenance areas. (ITE # 150)



COMMERCIAL-RETAIL

Shopping Center, general Retail: An integrated group of commercial establishments that is planned, developed, owned, or managed as a unit. On-site parking facilities are provided, and administrative office areas are usually included. (ITE # 820)

Automobile Parts Sales: A facility that specializes in the sale of automobile parts for do-it-yourself maintenance and repair. These facilities are not equipped for on-site vehicle repair. (ITE # 843)

Auto Care Center: An automobile care center houses numerous businesses that provide automobile-related services, such as repair and servicing, stereo installation and seat cover upholstery. (ITE # 942)

Car Sales (New and Used): Facilities are generally located as strip development along major arterial streets that already have a preponderance of commercial development. Generally included are auto services and parts sales along with a sometimes substantial used-car operation. Some dealerships also include leasing activities and truck sales and servicing. (ITE # 841)

Convenience Market: A use which combines retail food sales with fast foods or take-out food service; generally open long hours or 24 hours a day. (ITE # 851)

Discount Club: A store or warehouse where shoppers pay a membership fee in order to take advantage of discounted prices on a wide variety of items such as food, clothing, tires, and appliances; many items are sold in large quantities or bulk. (ITE # 857)

Free-Standing Discount Store: A free-standing store which offers a variety of customer services, centralized cashing, and a wide range of products (not including groceries). They typically maintain long store hours seven days a week. (ITE # 815)

Hardware/Paint Store: A free-standing or attached store with off-street parking providing hardware and paints services. (ITE # 816)

Home Improvement Superstore: A free-standing ware house type facility (25,000-150,000 gsf) with off-street parking. Generally offers a variety of customer services (home improvements; lumber, tools, paint, lighting, wallpaper, kitchen and bathroom fixtures, lawn equipment, and garden equipment) and centralized cashing. (ITE # 862)

Nursery/Garden Center: A free-standing building with a yard of planting or landscape stock offered to the general public (i.e. not wholesale). May have greenhouses and offer landscaping services. Most have office, storage, and shipping facilities. (ITE # 817)



Pharmacy (with drive-through window): A pharmacy which sells prescriptions and non-prescription drugs, cosmetics, toiletries, medications, stationery, personal care products, limited food products, and general merchandise. Contain drive-through windows. (ITE # 881)

Quick Lubrication Vehicle Shop: A facility where the primary activity is to perform oil change services for vehicles. Automobile repair service is generally not provided. (ITE # 941)

Supermarket: Retail store which sells a complete assortment of food, food preparation and wrapping materials, and household cleaning and servicing items. (ITE # 850)

Tire Store: A facility that provides sales and marketing of tires for automotive vehicles. Services typically include tire installation and repair, as well as other automotive maintenance or repair services and customer assistance. These stores generally do not contain large storage or warehouse areas. (ITE # 849)

Miscellaneous Retail: (Applies within designated areas of the city). A collection of retail uses that would function similar to a shopping center, with uses that may change over time but be consistent with the overall retail environment. (Refer ITE #820- Shopping Center)

COMMERCIAL-OFFICE

General Office: An administrative office building houses one or more tenants and is the location where affairs of a business, commercial or industrial organization, professional person or firm are conducted. The building or buildings may be limited to one tenant, either the owner or lessee, or contain a mixture of tenants including professional services, insurance companies, investment brokers, and company headquarters. Services such as a bank or savings and loan, a restaurant or cafeteria, miscellaneous retail facilities, and fitness facilities for building tenants may also be included. (ITE # 710)

Medical Office/Clinic: A facility which provides diagnoses and outpatient care on a routine basis but which is unable to provide prolonged in-house medical/surgical care. A medical office is generally operated by either a single private physician/dentist or a group of doctors and/or dentist. (ITE # 720)



2011							
Project Name	Permit #	Application Date	Existing Use	New Use	Sq. Ft.	Fee Not Collected	Issue Date
Skystone TI	BLD11-00446	8/24/11	Hertz Equip Rental	Indoor Trampolines	18,900	\$28,597	10/6/11
Kirkland Church of Nazarene	BLD11-00591	10/21/11	Church	Childcare (M-F)	N/A	\$23,437.50	
LA Fitness	BLD11-00550	10/13/11	Gi Joes	Fitness Center	49,718	\$73,711	2/24/12
Top Tennis Club	BLD11-00604	10/26/11	Warehouse / Offices	Indoor Tennis Facility	55,785	\$98,739.45	11/21/11
Seattle Met Credit Union	BLD11-00703	12/27/11	Unfinished	Credit Union	1,475	\$58,049	2/2/12
Critter Veterinarian			General Office	Medical Office	3,352	\$23,766	
Fiat Dealership			Misc Retail	Car Sales	3,741	\$26,261.82	
Kiddie Academy			Shopping Center	Childcare (M-F)	10,394	\$ 37,210.52	
Lunal Sol			General Office	Medical Office	4812	\$ 34,117.08	
Total Impact Fees Not Collected in 2011						\$403,889.15	

2012							
Project Name	Permit #	Application Date	Existing Use	New Use	Sq. Ft.	Fee Not Collected	Issue Date
Aegis Lodge Remodel	BNR12-01470	6/14/12	Living/Accessory Space	Salon/Employee Lounge	N/A	\$667.00	
Doctor's Express	BNR12-01604	6/19/12	Video Rental	Medical Office	3230	\$18,992.40	8/27/12
Devine & Weier	BSF12-01886	7/6/12	Residential Garage	Catering Kitchen	N/A	\$7,574.00	8/13/12
Bassline Fitness	BNR12-02797	8/28/12	Misc Retail	Gym	2154	\$12,805.88	9/21/12
24 Hour Fitness	BLD11-00550	10/13/11	Mercantile	Assembly / Fitness	25300	\$144,463.00	2/24/12
Creative Sprouts Presch	TRAN12-01143	9/11/12	General Office	Day Care	2243	\$31,379.57	9/19/12
Be One Yoga	BNR12-01777	6/27/12	Video Rental	Yoga Studio	3500	\$72,114.00	8/6/12
Taco Time	BNR12-00922	5/11/12	Gas w/ MiniMart	Fastfood w/ Drive-thru	2275	\$26,203.00	10/19/12
Evergreen AutoRebuild			Industrial	Car Car Center	17920	\$27,238.40	
NW Kidney Center			General Office	Medical Office	17117	\$121,359.53	
Five-Guys Burger			Video Rental	Fastfood w/o Drive-thru	2500	\$49,200.00	
Total Impact Fees Not Collected in 2012						\$511,996.78	

2013							
Project Name	Permit #	Application Date	Existing Use	New Use	Sq. Ft.	Fee Not Collected	Issue Date
Seattle Vet Specialists	TRAN13-00536	4/2/13	General Office	Medical Office	7698	\$34,942.50	
O'Hanlon Veterinary	BNR13-02391	5/7/13	Retail Shopping	Medical Office	6061	\$62,488.91	
Inglewood Vet Clinic	BNR13-02484	5/13/13	Shopping Center	Medical Office	1265	\$13,042.15	
Immediate Clinic	BNR13-04514	8/12/13	General Office	Medical Office	2423	\$17,687.90	
Total Impact Fees Not Collected in 2013						\$128,161.46	



CITY OF KIRKLAND
Department of Parks and Community Services
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ATTACHMENT 2

MEMORANDUM

To: Kurt Triplett, City Manager
Tracey Dunlap, Deputy City Manager

From: Jennifer Schroder, Director of Parks & Community Services
Michael Cogle, Deputy Director of Parks & Community Services

Date: September 3, 2015

Subject: PARK IMPACT FEE RATE STUDY AND POLICY DISCUSSION

The rate study for impact fees for Parks, Open Space, and Recreation Facilities dated August 13, 2015 is attached (Attachment A). The rate study proposes park impact fees for residential development at the following rates:

Table 1. Park Impact Fee Proposed 2016 Rates	
Single-Family	\$3,968
Multi-Family	\$3,016

The last major impact fee update in Kirkland occurred in 2007. Impact fees established at that time were subsequently indexed with inflation. The following table shows the current rates compared with the proposed new rates:

Table 2. Park Impact Fee Rate Comparison		
	2015 Rate (Current)	2016 Rate (Proposed)
Single-Family	\$3,949	\$3,968
Multi-Family	\$2,583	\$3,016

Note that the rate for single-family changes only slightly, while the rate for multi-family increases substantially. This is due to the fact that census data shows that the average occupancy of multi-family households has increased from about 1.6 to about 1.9 persons since the prior rate study.

Methodology

As discussed by the City Council at their meeting on April 7, 2015, and again during its review of the City's Parks, Recreation, and Open Space (PROS) Plan on July 7, 2015, the Department of Parks and Community Services is converting to a new Level of Service standard for Kirkland's park system, referred to as Investment per Person.

Kirkland's previous methodology for Park impact fees used level of service standards based on acres of park land and square feet of indoor recreation space. The previous method has the following limitations:

1. Standards based on acreage do not reflect the improvements at the parks, such as docks, boardwalks, tennis courts, basketball courts, landscaping, lighting, fences, picnic facilities, etc.
2. When the City has less park acreage than required by its standard, the City has an existing deficiency that cannot be paid by impact fees. The 2007 park impact fee excluded neighborhood parks and indoor athletic recreation spaces because the actual level of service provided by those facilities was less than the City's standard, thus causing a "deficiency" that precluded charging park impact fees for those facilities.
3. The standards for different types of parks based on land limits the City's flexibility to expend park impact fees in ways that best meet the needs of growth.

The alternative methodology, proposed in the updated Kirkland PROS Plan, is to assess new development a fee based on the replacement value of the existing overall park system, divided by population to determine the park value per person (Investment per Person).

The major advantages of this methodology are that it recognizes the totality of the community's park system –the park land and the physical improvements on the land – while also allowing the City much greater flexibility to expand the park system in a way that best meets the needs of current and future residents.

The rate study is based on this alternative "Investment per Person" methodology.

Park Impact Fees on Commercial Development

Kirkland does not charge Park impact fees to commercial (i.e. non-residential) development. Some cities have determined the impact of commercial development on parks by determining "equivalent population" for different types of development. Park impact fees for commercial development are then assessed on a per square foot basis.

The attached rate study does not include a formal assessment of a rate structure for park impact fees that could be assessed to both residential and non-residential development. However a preliminary analysis using available data details a potential rate structure as shown in the following table. Note that by spreading park impact fees across all types of land use the fees for residential use would decline substantially.

<u>Category</u>	<u>Residential Only</u>	<u>Residential plus Commercial</u>
Single Family	\$ 3,968.40	\$ 1,775.67
Multi Family	\$ 3,015.99	\$ 1,349.51
Retail		\$ 1.52/sf
Office		\$ 0.38/sf
Manufacturing		\$ 0.45/sf
Construction		\$ 0.15/sf

Staff and the consultant can provide more information on methodology and rate structures for commercial park impact fees if desired by the City Council. Staff is not recommending implementation of park impact fees for commercial development at this time, but we do recommend that future rate studies consider this issue.

RATE STUDY
FOR
IMPACT FEES
FOR
PARKS, OPEN SPACE, AND RECREATION FACILITIES

FOR
CITY OF KIRKLAND, WASHINGTON



Prepared By

Henderson
Young &
Company

August 13, 2015

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1. INTRODUCTION

The purpose of this study is to establish the rates for impact fees in the City of Kirkland, Washington for parks, open space, and recreation facilities as authorized by RCW¹ 82.02.090(7). Throughout this study the term “parks” is used as the short name that means parks, open space, and recreation facilities.

Summary of Impact Fee Rates

Park impact fees are paid by all types of new residential development². Impact fee rates for new development are based on, and vary according to the type of development. The following table summarizes the impact fee rates for each development category.

Table 1: Impact Fee Rates

Type of Development	Unit	Impact Fee per Unit
Single-Family	dwelling unit	\$ 3,968.40
Multi-Family	dwelling unit	3,015.99

Impact Fees Definition and Rationale

Impact fees are charges paid by new development to reimburse local governments for the capital cost of public facilities that are needed to serve new development and the people who occupy or use the new development. Throughout this study, the term "developer" is used as a shorthand expression to describe anyone who is obligated to pay impact fees, including builders, owners or developers.

Local governments charge impact fees for several reasons: 1) to obtain revenue to pay for some of the cost of new public facilities; 2) to implement a public policy that new development should pay a portion of the cost of facilities that it requires, and that existing development should not pay all of the cost of such facilities; and 3) to assure that adequate public facilities will be constructed to serve new development.

¹ Revised Code of Washington (RCW) is the state law of the State of Washington.

² The impact fee ordinance and municipal code may specify exemptions for low-income housing and/or “broad public purposes”. The ordinance and municipal code may specify if impact fees apply to changes in use, remodeling, etc.

The impact fees that are described in this study do not include any other forms of developer contributions or exactions, such as mitigation or voluntary payments authorized by SEPA (the State Environmental Policy Act, RCW 43.21C); system development charges for water and sewer authorized for utilities (RCW 35.92 for municipalities, 56.16 for sewer districts, and 57.08 for water districts); local improvement districts or other special assessment districts; linkage fees; or land donations or fees in lieu of land.

Organization of the Study

This impact fee rate study contains three chapters:

- **Chapter 1 – Introduction:** provides a summary of impact fee rates for development categories, and other introductory materials.
- **Chapter 2 – Statutory Basis and Methodology:** summarizes the statutory requirements for developing impact fees, and describes this study's compliance with each requirement.
- **Chapter 3 – Park Impact Fees:** presents impact fees for parks in the City of Kirkland. The chapter includes the methodology that is used to develop the fees, the formulas, variables and data that are the basis for the fees, and the calculation of the fees. The methodology is designed to comply with the requirements of Washington state law.

2. STATUTORY BASIS AND METHODOLOGY

This chapter summarizes the statutory requirements for impact fees in the State of Washington, and describes how the City of Kirkland's impact fees comply with the statutory requirements.

Statutory Requirements for Impact Fees

The Growth Management Act of 1990 authorizes local governments in Washington to charge impact fees. RCW 82.02.050 - 82.02.090 contain the provisions of the Growth Management Act that authorize and describe the requirements for impact fees.

The impact fees that are described in this study are not mitigation payments authorized by the State Environmental Policy Act (SEPA). There are several important differences between impact fees and SEPA mitigations. Three aspects of impact fees that are particularly noteworthy are: 1) the ability to charge for the cost of public facilities that are "system improvements" (i.e., that provide service to the community at large) as opposed to "project improvements" (which are "on-site" and provide service for a particular development); 2) the ability to charge small-scale development their proportionate share, whereas SEPA exempts small developments; and 3) the predictability and simplicity of impact fee rate schedules compared to the cost and uncertain outcome of SEPA reviews conducted on a case-by-case basis.

The following synopsis of the most significant requirements of the law includes citations to the Revised Code of Washington as an aid to readers who wish to review the exact language of the statutes.

Types of Public Facilities

Four types of public facilities can be the subject of impact fees: 1) public streets and roads; 2) publicly owned parks, open space and recreation facilities; 3) school facilities; and 4) fire protection facilities. RCW 82.02.050(2) and (4), and RCW 82.02.090(7)

Types of Improvements

Impact fees can be spent on "system improvements" (which are typically outside the development), as opposed to "project improvements" (which are typically provided by the developer on-site within the development). RCW 82.02.050(3)(a) and RCW 82.02.090(5) and (9)

Benefit to Development

Impact fees must be limited to system improvements that are reasonably related to, and which will benefit new development. *RCW 82.02.050(3)(a) and (c)*. Local governments must establish reasonable service areas (one area, or more than one, as determined to be reasonable by the local government), and local governments must develop impact fee rate categories for various types of development. *RCW 82.02.060(7)*

Proportionate Share

Impact fees cannot exceed the development's proportionate share of system improvements that are reasonably related to the new development. The impact fee amount shall be based on a formula (or other method of calculating the fee) that determines the proportionate share. *RCW 82.02.050(3)(b)*, *RCW 82.02.060(1)*, and *RCW 82.02.090(6)*

Reductions of Impact Fee Amounts

Impact fees rates must be adjusted to account for other revenues that the development pays (if such payments are earmarked for or proratable to particular system improvements). *RCW 82.02.050(1)(c) and (2) and RCW 82.02.060(1)(b)* Impact fees may be credited for the value of dedicated land, improvements or construction provided by the developer (if such facilities are in the adopted CFP as system improvements eligible for impact fees and are required as a condition of development approval). *RCW 82.02.060(4)*

Exemptions from Impact Fees

Local governments have the discretion to provide exemptions from impact fees for low-income housing and other "broad public purpose" development. *RCW 82.02.060(2) and (3)*

Developer Options

Developers who are liable for impact fees can submit data and or/analysis to demonstrate that the impacts of the proposed development are less than the impacts calculated in this rate study. *RCW 82.02.060(6)*. Developers can pay impact fees under protest and appeal impact fee calculations. *RCW 82.02.070(4) and (5)*. The developer can obtain a refund of the impact fees if the local government fails to expend or obligate the impact fee payments within 10 years, or terminates the impact fee requirement, or the developer does not proceed with the development (and creates no impacts). *RCW 82.02.080*

Capital Facilities Plans

Impact fees must be expended on public facilities in a capital facilities plan (CFP) element or used to reimburse the government for the unused capacity of existing facilities. The CFP must conform to the Growth Management Act of 1990, and must identify existing deficiencies in facility capacity for current development, capacity of existing facilities available for new development, and additional facility capacity needed for new development. *RCW 82.02.050(4), RCW 82.02.060(8), and RCW 82.02.070(2)*

New Versus Existing Facilities

Impact fees can be charged for new public facilities (*RCW 82.02.060(1)(a)*) and for the unused capacity of existing public facilities (*RCW 82.02.060(8)*) subject to the proportionate share limitation described above.

Accounting Requirements

The local government must separate the impact fees from other monies, expend or obligate the money on CFP projects within 10 years, and prepare annual reports of collections and expenditures. *RCW 82.02.070(1)-(3)*

Compliance With Statutory Requirements for Impact Fees

Many of the statutory requirements listed above are fulfilled in calculation of the parks impact fee in Chapter 3. Some of the statutory requirements are fulfilled in other ways, as described below.

Types of Public Facilities

This study contains impact fees for parks. This study does not contain impact fees for transportation, fire, or schools.

In general, local governments that are authorized to charge impact fees are responsible for specific public facilities for which they may charge such fees. The City of Kirkland is legally and financially responsible for the parks facilities it owns and operates within its jurisdiction. In no case may a local government charge impact fees for private facilities, but it may charge impact fees for some public facilities that it does not administer if such facilities are "owned or operated by government entities" (*RCW 82.02.090 (7)*).

Types of Improvements

The public facilities that can be paid for by impact fees are "system

improvements" (which are typically outside the development), and "designed to provide service to service areas within the community at large" as provided in RCW 82.02.090(9)), as opposed to "project improvements" (which are typically provided by the developer on-site within the development or adjacent to the development), and "designed to provide service for a development project, and that are necessary for the use and convenience of the occupants or users of the project" as provided in RCW 82.02.090(5). The impact fees in this study are based on system improvements from the City's Capital Facilities Plan, as described in Chapter 3. No project improvements are included in this study.

Impact fee revenue can be used for the capital cost of public facilities. Impact fees cannot be used for operating or maintenance expenses. The cost of public facilities that can be paid for by impact fees include land acquisition and development (improvements). The costs can also include design studies, engineering, land surveys, appraisals, permitting, financing, administrative expenses, applicable mitigation costs, and capital equipment pertaining to capital improvements.

Benefit to Development

The law imposes three tests of the benefit provided to development by impact fees: 1) proportionate share, 2) reasonably related to need, and 3) reasonably related to expenditure (RCW 80.20.050(3)). In addition, the law requires the designation of one or more service areas (RCW 82.02.060(7))

1. Proportionate Share.

First, the "proportionate share" requirement means that impact fees can be charged only for the portion of the cost of public facilities that is "reasonably related" to new development. In other words, impact fees cannot be charged to pay for the cost of reducing or eliminating deficiencies in existing facilities.

Second, there are several important implications of the proportionate share requirement that are not specifically addressed in the law, but which follow directly from the law:

- Costs of facilities that will benefit new development and existing users must be apportioned between the two groups in determining the amount of the fee. This can be accomplished in either of two ways: (1) by allocating the total cost between new and existing users, or (2) calculating the cost per unit and applying the cost only to new development when calculating impact fees.

- Impact fees that recover the costs of existing unused capacity should be based on the government's actual cost. Carrying costs may be added to reflect the government's actual or imputed interest expense.

The third aspect of the proportionate share requirement is its relationship to the requirement to provide adjustments and credits to impact fees, where appropriate. These requirements ensure that the amount of the impact fee does not exceed the proportionate share.

- The "adjustments" requirement reduces the impact fee to account for past and future payments of other revenues (if such payments are earmarked for, or proratable to, the system improvements that are needed to serve new growth). The impact fees calculated in this study include an adjustment that accounts for any other revenue that is paid by new development and used by the City to pay for a portion of growth's proportionate share of costs. This adjustment is in response to the limitations in RCW 82.02.060 (1)(b) and RCW 82.02.050(2).
- The "credit" requirement reduces impact fees by the value of dedicated land, improvements or construction provided by the developer (if such facilities are in the adopted CFP, identified as the projects for which impact fees are collected, and are required as a condition of development approval). The law does not prohibit a local government from establishing reasonable constraints on determining credits. For example, the location of dedicated land and the quality and design of donated land or recreation facilities can be required to be acceptable to the local government.

2. Reasonably Related to Need.

There are many ways to fulfill the requirement that impact fees be "reasonably related" to the development's need for public facilities, including personal use and use by others in the family or business enterprise (direct benefit), use by persons or organizations who provide goods or services to the fee-paying property or are customers or visitors at the fee paying property (indirect benefit), and geographical proximity (presumed benefit). These measures of relatedness are implemented by the following techniques:

- Impact fees are charged to properties that need (i.e., benefit from) new public facilities. The City of Kirkland provides its infrastructure to all kinds of property throughout the City regardless of the type of use of the

property. Impact fees for parks, however, are only charged to residential development in the City because the dominant stream of benefits redounds to the occupants and owners of dwelling units.

- The relative needs of different types of growth are considered in establishing fee amounts (i.e., different impact values for different types of land use). Chapter 3 uses different numbers of persons per dwelling unit for different types of residential development.
- Feepayers can pay a smaller fee if they demonstrate that their development will have less impact than is presumed in the impact fee schedule calculation for their property classification. Such reduced needs must be permanent and enforceable (i.e., via land use restrictions).

3. Reasonably Related to Expenditures.

Two provisions of Kirkland's municipal code for impact fees comply with the requirement that expenditures be "reasonably related" to the development that paid the impact fee. First, the requirement that fee revenue must be earmarked for specific uses related to public facilities ensures that expenditures are on specific projects, the benefit of which has been demonstrated in determining the need for the projects and the portion of the cost of needed projects that are eligible for impact fees as described in this study. Second, impact fee revenue must be expended or obligated within 10 years, thus requiring the impact fees to be used to benefit to the feepayer and not held by the City.

4. Service Areas for Impact Fees

Impact fees in some jurisdictions are collected and expended within service areas that are smaller than the jurisdiction that is collecting the fees. Impact fees are not required to use multiple service areas unless they are necessary to establish the relationship between the fee and the development. Because of the compact size of the City of Kirkland and the accessibility of its parks to all property within the City, Kirkland's parks serve the entire City, therefore the impact fees are based on a single service area corresponding to the boundaries of the City of Kirkland.

Exemptions

The City's municipal code for impact fees addresses the subject of exemptions. Exemptions do not affect the impact fee rates calculated in this study because

of the statutory requirement that any exempted impact fee must be paid from other public funds. As a result, there is no increase in impact fee rates to make up for the exemption because there is no net loss to the impact fee account as a result of the exemption.

Developer Options

A developer who is liable for impact fees has several options regarding impact fees. The developer can submit data and/or analysis to demonstrate that the impacts of the proposed development are less than the impacts calculated in this rate study. The developer can appeal the impact fee calculation by the City of Kirkland. If the local government fails to expend the impact fee payments within 10 years of receipt of such payments, the developer can obtain a refund of the impact fees. The developer can also obtain a refund if the development does not proceed and no impacts are created. All of these provisions are addressed in the City's municipal code for impact fees, and none of them affect the calculation of impact fee rates in this study.

Capital Facilities Plan

There are references in RCW to the "capital facilities plan" (CFP) as the basis for projects that are eligible for funding by impact fees. Cities often adopt documents with different titles that fulfill the requirements of RCW 82.02.050 et. seq. pertaining to a "capital facilities plan". The City of Kirkland has adopted, and periodically updates the Capital Facilities Plan Element of the City's Comprehensive Plan. In addition, Kirkland annually adopts a 6-year Capital Improvements Program (CIP). These two documents fulfill the requirements in RCW, and are considered to be the "capital facilities plan" (CFP) for the purpose of this impact fee rate study. All references to a CFP in this study are references to the CFP and CIP documents described above.

The requirement to identify existing deficiencies, capacity available for new development, and additional public facility capacity needed for new development is determined by analyzing levels of service for each type of public facility. Chapter 3 provides this analysis.

New Versus Existing Facilities, Accounting Requirements

Impact fees must be spent on capital projects contained in an adopted capital facilities plan, or they can be used to reimburse the government for the unused capacity of existing facilities. Impact fee payments that are not expended or obligated within 10 years must be refunded unless the City Council makes a written finding that an extraordinary and compelling reason exists to hold the fees for longer than 10 years. In order to verify these two requirements, impact fee

revenues must be deposited into separate accounts of the government, and annual reports must describe impact fee revenue and expenditures. These requirements are addressed by Kirkland's municipal code for impact fees, and are not factors in the impact fee calculations in this study.

Data Sources

The data in this study of impact fees in Kirkland, Washington was provided by the City of Kirkland, unless a different source is specifically cited.

Data Rounding

The data in this study was prepared using computer spreadsheet software. In some tables in this study, there may be very small variations from the results that would be obtained using a calculator to compute the same data. The reason for these insignificant differences is that the spreadsheet software was allowed to calculate results to more places after the decimal than is reported in the tables of these reports. The calculation to extra places after the decimal increases the accuracy of the end results, but causes occasional minor differences due to rounding of data that appears in this study.

3. PARK IMPACT FEES

Overview

Impact fees for Kirkland's parks, open space, and recreation facilities use an inventory and valuation of the existing assets in order to calculate the current capital value per person. That amount is multiplied times the future population to identify the value of additional assets needed to provide growth with the same level of investment as the City owns for the current population. The future investment needed for growth is compared to the park projects in the City's CIP, and if the CIP projects are less than the needed investment an adjustment is calculated that reduces the capital value per person to match the amount of the projects in the CIP. The amount of the impact fee is determined by charging each fee-paying development for the adjusted capital value per person multiplied times the average number of persons per dwelling unit for each type of residential development.

These steps are described below in the formulas, descriptions of variables, tables of data, and explanation of calculations of park impact fees.

Formula 1: Parks Capital Value Per Person

The capital value per person is calculated by dividing the value of the asset inventory by the current population.

$$1. \quad \frac{\text{Value of Parks Inventory}}{\text{Current Population}} = \text{Capital Value Per Person}$$

There is one new variable that requires explanation: (A) value of parks inventory.

Variable (A): Value of Parks Inventory

The value of the existing inventory of parks, open space and recreation facilities is calculated by determining the value of park land and improvements. The sum of all of the values equals the current value of the City's park and recreation system. The land values in this study come from King County's tax assessment data base. The improvement values are from the City of Kirkland based on current replacement costs of similar improvements.

Table 2 lists in alphabetical order the inventory of parks that make up the City of Kirkland' existing park system. Each listing includes the name, acreage, land

value, improvement value and total value. The total value of park land and improvements currently owned by the City of Kirkland is \$333.1 million. That value is divided by the current population of 82,590 to calculate the capital value of \$4,093.94 per person.

Table 2: Asset Inventory and Capital Value

Name	Acres	Land Value	Improvement Value	Total Value
132nd Square Park	9.7	\$ 466,000	\$ 2,462,121	\$ 2,928,121
Beach Property	2.6	45,000	0	45,000
Brookhaven Park	0.9	622,100	24,725	646,825
Carillon Woods	8.7	9,634,000	180,920	9,814,920
Cedar View Park	0.2	465,500	101,500	567,000
Cotton Hill Park	2.2	803,000	0	803,000
Crestwoods Park	26.6	13,784,500	2,457,493	16,241,993
David E. Brink Park	0.9	15,379,000	648,124	16,027,124
Edith Moulton Park	26.7	3,648,000	287,940	3,935,940
Everest Park	23.2	5,812,800	3,918,638	9,731,438
Forbes Creek Park	2	2,852,000	524,875	3,376,875
Forbes Lake Park	8.8	1,382,000	0	1,382,000
Heritage Park	10.1	16,215,500	2,091,641	18,307,141
Heronfield Wetlands	28.1	2,128,200	16,100	2,144,300
Highlands Park	2.7	1,271,000	351,584	1,622,584
Houghton Beach Park	3.8	30,150,000	2,238,895	32,388,895
Juanita Bay Park	110.8	25,880,200	4,886,922	30,767,122
Juanita Beach Park	21.9	10,752,000	9,210,079	19,962,079
Juanita Heights Park	6.1	1,168,000	5,600	1,173,600
Kingsgate Park	6.9	1,293,000	5,600	1,298,600
Kiwanis Park	2.6	8,282,000	16,000	8,298,000
Lake Ave W Street End Park	0.3	5,513,278	12,700	5,525,978
Marina Park	3.6	12,000,000	5,573,669	17,573,669
Mark Twain Park	6.6	624,000	874,062	1,498,062
Marsh Park	4.1	16,950,000	705,526	17,655,526
McAuliffe Park	11.6	2,888,800	523,408	3,412,208
Neil-Landguth Wetland Park	1.29	140,000	5,000	145,000
North Kirkland Com Ctr Park	5.5	3,172,800	7,196,029	10,368,829

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Name	Acres	Land Value	Improvement Value	Total Value
North Rose Hill Woodlands Park	20.9	1,944,000	1,100,505	3,044,505
Ohde Avenue Pea Patch	0.9	666,000	2,250	668,250
Open Space 1138020240	0.5	189,000	0	189,000
Open Space 1437900440	0.9	1,000	0	1,000
Open Space 3295730200	1.5	1,000	0	1,000
Open Space 3326059150	1.5	988,000	0	988,000
Open Space 6639900214	1.1	177,000	0	177,000
Open Space 3326059136	1.5	1,060,900	0	1,060,900
Open Space 2426049132	8.3	651,000	0	651,000
Open Space 2540800430	0.1	1,000	0	1,000
Open Space 3261020380	2.0	5,000	0	5,000
Open Space 3275740240	1.0	1,000	0	1,000
Open Space 3754500950	1.9	476,000	0	476,000
Open Space 6619910290	0.1	240,000	0	240,000
Open Space 7016100600	2.2	536,000	0	536,000
Open Space 7016300061	0.8	1,000	0	1,000
Open Space 7955060320	0.7	164,000	0	164,000
Open Space 9527000610	0.8	1,000	0	1,000
Open Space 1119000270	0.4	1,000	0	1,000
Open Space 3558910830	1.9	1,000	0	1,000
Peter Kirk Park	12.5	27,181,400	17,367,453	44,548,853
Phyllis A Needy - Houghton Nbr	0.5	422,000	363,653	785,653
Reservoir Park	0.6	718,000	150,300	868,300
Rose Hill Meadows	4.1	1,888,000	452,044	2,340,044
Settler's Landing	0.1	1,800,000	506,400	2,306,400
Snyders Corner Park	4.5	772,000	0	772,000
South Norway Hill Park	9.8	2,553,400	0	2,553,400
South Rose Hill Park	2.2	450,000	480,721	930,721
Spinney Homestead Park	6.5	3,896,000	718,878	4,614,878
Street End Park	0.1	299,891	0	299,891
Terrace Park	1.8	865,700	397,787	1,263,487
Tot Lot Park	0.5	763,000	138,205	901,205

Name	Acres	Land Value	Improvement Value	Total Value
Van Aalst Park	1.6	1,788,000	260,160	2,048,160
Watershed Park	75.5	10,248,900	0	10,248,900
Waverly Beach Park	2.8	6,605,500	1,761,240	8,366,740
Windsor Vista Park	4.8	977,000	0	977,000
Wiviott Property	0.7	131,000	0	131,000
Yarrow Bay Wetlands	74.2	3,209,600	0	3,209,600
Cross Kirkland Corridor Trail	5.75 miles	1,000,000	4,102,560	5,102,560
Total Capital Value of Parks		265,996,969	72,121,304	338,118,273
Current Population				82,590
Parks Capital Value per Person				\$ 4,093.94

Parks that list zero values for improvements are either open space that will not ever have improvements of significant value or they are park sites that will be improved in the future, but are not yet improved.

Formula 2: Value Needed for Growth

Impact fees must be related to the needs of growth, as explained in Chapter 2. The first step in determining growth's needs is to calculate the total value of parks that are needed for growth. The calculation is accomplished by multiplying the capital value per person times the number of new persons that are forecast for the City's growth.

$$2. \quad \text{Capital Value per Person} \times \text{Population Growth} = \text{Value Needed for Growth}$$

There is one new variable used in formula 2 that requires explanation: (B) forecast of future population growth.

Variable (B): Forecast Population Growth

As part of the City of Kirkland's long-range planning process, including its Comprehensive Plan pursuant to the Growth Management Act, the City prepares forecasts of future growth. During the next 6 years the City expects 4,320 additional people to live in Kirkland.

Table 3 shows the calculation of the value of parks needed for growth. The current capital value per person is from Table 2. The growth in population is from the City of Kirkland, as described above. The result is that Kirkland needs to add parks valued at \$17.6 million in order to serve the growth of 4,320 additional people who are expected to be added to the City's existing population.

Table 3: Value of Parks Needed for Growth

Capital Value per Person		Growth of Population	=	Value Needed for Growth
\$ 4,093.94	x	4,320	=	\$ 17,685,809

Formula 3. Investment Needed for Growth

The investment needed for growth is calculated by subtracting the value of any existing reserve capacity from the total value of parks needed to serve the growth.

$$3. \quad \begin{matrix} \text{Value} \\ \text{Needed} \\ \text{for Growth} \end{matrix} - \begin{matrix} \text{Value of} \\ \text{Existing Reserve} \\ \text{Capacity} \end{matrix} = \begin{matrix} \text{Investment} \\ \text{Needed for} \\ \text{Growth} \end{matrix}$$

There is one new variable used in formula 3 that requires explanation: (C) value of existing reserve capacity of parks.

Variable (C): Value of Existing Reserve Capacity

The value of reserve capacity is the difference between the value of the City's existing inventory of parks, and the value of those assets that are needed to provide the level of service standard for the existing population. Because the capital value per person is based on the current assets and the current population, there is no reserve capacity (i.e., no unused value that can be used to serve future population growth)³.

Table 4 shows the calculation of the investment in parks that is needed for growth. The value of parks needed to serve growth (from Table 3) is reduced by the value

³ Also, the use of the current assets and the current population means there is no existing deficiency. This approach satisfies the requirements of RCW 82.02.050(4) to determine whether or not there are any existing deficiencies in order to ensure that impact fees are not charged for any deficiencies.

of existing reserve capacity, in this case zero, and the result shows that Kirkland needs to invest \$17.6 million in additional parks in order to serve future growth.

Table 4: Investment Needed in Parks for Growth

Value Needed for Growth		Value of Existing Reserve Capacity	=	Investment Needed for Growth
\$ 17,685,809	-	\$ 0	=	\$ 17,685,809

Formula 4. Adjustment to be Consistent with Kirkland's CIP

Impact fees must be based on and used for projects in the City's CIP. Impact fees are limited to projects that add capacity to the park system and therefore provide additional parks for growth. Impact fees can only be charged for the portion of the cost of the capacity projects that are not paid for by other funding sources. If the unfunded cost of parks projects that add capacity is less than the investment needed for growth, the impact fee calculations must include an adjustment to limit the fee to an amount that is consistent with the CIP.

The adjustment is calculated by dividing the unfunded cost of CIP projects that add capacity by the amount of the investment that is needed for growth. The result is the percentage of the needed investment that is provided by the CIP.

$$4. \quad \frac{\text{Unfunded Cost of CIP Projects That Add Capacity}}{\text{Investment Needed for Growth}} = \text{Adjustment \%}$$

There is one new variable used in formula 4 that requires explanation: (D) unfunded cost of projects in the CIP that add capacity to the parks.

Variable (D): Unfunded Cost of CIP Projects that Add Capacity

The City of Kirkland's CIP has numerous projects for parks. Some of the projects add capacity to the park system by increasing acreage and/or adding improvements.

The City of Kirkland uses a combination of state grants, local real estate excise taxes and the local park levy to pay for part of the cost of park and recreation capital facilities.

A detailed analysis was made of the City's 2015-20 CIP⁴. There are a total of \$21.4 million of parks projects. Projects costing \$11.6 million add capacity to the park system, and therefore are considered projects eligible for impact fee funding. However, \$4.7 million of the capacity projects have identified potential funding from grants and/or local revenues. The remaining \$6.9 million cost of the capacity projects is unfunded, and therefore only that amount is eligible to be the basis of the park impact fee.

Revenues that are used for repair, maintenance or operating costs are not used to reduce impact fees because they are not used, earmarked or prorated for the system improvements that are the basis of the impact fees. Revenues from past taxes paid on vacant land prior to development are not included because new capital projects do not have prior costs, therefore prior taxes did not contribute to such projects.

The other potential credits that reduce capacity costs (and subsequent impact fees) are donations of land or other assets by developers or builders. Those reductions depend upon specific arrangements between the developer and the City of Kirkland. Reductions in impact fees for donations are calculated on a case-by-case basis at the time impact fees are to be paid.

Table 5 shows the calculation of the adjustment percentage. The \$6.9 million unfunded cost of CIP projects that add capacity is divided by the \$17.7 million investment that is needed for growth in order to provide the current capital value per person to all new residential development. The calculation is that the CIP projects will provide 38.77% of the investment needed for growth. That percentage is the adjustment percent.

Table 5: Adjustment for Consistency with CIP

Unfunded Cost of CIP Projects That Add Capacity		Investment Needed for Growth		Adjustment %
\$ 6,857,400	/	\$ 17,685,809	=	38.77%

Formula 5: Growth Cost Per Person

The growth cost per person is calculated by multiplying the current capital value per person by the adjustment percent.

⁴ The analysis is presented in the Appendix.

$$5. \quad \begin{array}{c} \text{Capital Value} \\ \text{per Person} \end{array} \times \begin{array}{c} \text{Adjustment} \\ \% \end{array} = \begin{array}{c} \text{Growth Cost} \\ \text{per Person} \end{array}$$

There are no new variables used in formula 5. Both variables were developed in previous formulas.

Table 6 shows the calculation of the cost per person adjusted for park CIP capacity projects that needs to be paid by growth. The capital value per person (from Table 2), is multiplied times the adjustment percent (from Table 5), and the result shows that cost for parks to be paid by growth is \$1,587.36 per person.

Table 6: Growth Cost per Person

Capital Value per Person		Adjustment %	=	Growth Cost per Person
\$ 4,093.94	X	38.77%	=	\$ 1,587.36

Formula 6: Impact Fee per Unit of Development

The amount to be paid by each new unit of residential development depends on the average number of persons per dwelling unit. The cost per unit of development is calculated by multiplying the growth cost per person by the average persons per dwelling unit for each type of development.

$$6. \quad \begin{array}{c} \text{Growth Cost} \\ \text{per Person} \end{array} \times \begin{array}{c} \text{Persons per} \\ \text{Dwelling Unit} \end{array} = \begin{array}{c} \text{Cost per Unit} \\ \text{of Residential} \\ \text{Development} \end{array}$$

There is one new variable used in formula 6 that requires explanation: (E) persons per dwelling unit.

Variable (E): Persons Per Dwelling Unit

An average single-family home is larger than an average multi-family residence, and it houses a larger average number of persons per dwelling unit. The City of Kirkland Planning Department provided the average number of persons per dwelling unit that are used in Table 7.

Table 7 shows the calculation of the parks impact fee per unit of development. The growth cost of \$1,587.36 per person from Table 6 is multiplied times the

average number of persons per dwelling unit to calculate the impact fee per unit of residential development.

Table 7: Impact Fee per Unit

Type of Development	Growth Cost per Person		Average Number of Persons per Dwelling Unit		Impact Fee Per Unit of Development
Single-family	\$ 1,587.36	x	2.5	=	\$ 3,968.40
Multi-family	1,587.36	x	1.9	=	3,015.99

APPENDIX: PARKS CIP PROJECTS THAT ADD CAPACITY 2015-2020

The Parks Capital Improvement Program (CIP) for 2015-2020 contains 18 projects. Their project numbers and names are listed in columns 1 and 2 of Table A-1. The cost of the projects listed in column 3 totals \$21,441,500. Column 4 lists the percent of each project that capacity to the park system by increasing acreage and/or adding improvements. These additions increase the value of the park system, and therefore provide value that serves growth. The capacity cost of the projects is determined by multiplying the capacity % (column 4) times the total cost (column 3). The resulting capacity costs listed in column 5 totals \$11,589,000. The non-capacity cost is the difference between the total cost and the capacity cost, and represents repairs, remodeling, renovations and other costs that take care of current assets, but do not add to the capacity of the assets. Column 6 shows the non-capacity costs that total \$9,852,500.

Columns 7 through 9 itemize the amounts of funding that Kirkland estimates will become available to pay a portion of the total cost of each project. The sources are local real estate excise taxes (REET in column 7), money held in reserve from previous years (column 8), proceeds from the 2012 park levy (a local property tax in column 9), and contributions to Kirkland in the form of grants from other governments or donations from individuals or businesses (column 10). The total of all funding for each project is listed in column 11, and the total for all projects is \$14,584,100.

The unfunded capacity cost is calculated by subtracting the total funding (column 11) from the total cost (column 3). This is calculated by applying the other funding first to the non-capacity costs, then to the capacity costs. Any amount or projects that is unfunded is therefore a capacity cost, and it is eligible for impact fees paid by new development. The amounts for each project are listed in column 12, and the total for all projects is \$6,857,400.

Specific totals derived from this analysis are summarized in Variable D of Formula 4 in Chapter 3 of this study.

Table A-1: Kirkland Parks CIP Projects that Add Capacity – 2015-2020

1	2	3	4	5	6	7	8	9	10	11	12
Project #	Project Name	Total Cost	% Capacity	Capacity Cost	Non-Capacity Cost	Funding: REET 1	Funding: Reserve	Funding: Park Levy	Funding: Grants or Donations	Total Funding	Unfunded Capacity Cost
PK 0049	Open Space, Pk Land & Trail Acq Grant Match Program	100,000	100%	100,000	0	0	100,000	0	0	100,000	0
PK 0066	Park Play Area Enhancements	350,000	25%	87,500	262,500	300,000	0	0	0	300,000	50,000
PK 0087 100	Waverly Beach Park Renovation	595,500	60%	357,300	238,200	0	504,500	0	91,000	595,500	0
PK 0087 101	Waverly Beach Park Renovation Phase 2	1,250,000	40%	500,000	750,000	0	0	873,000	0	873,000	377,000
PK 0119 002	Juanita Beach Park Development Phase 2	1,308,000	10%	130,800	1,177,200	678,000			500,000	1,178,000	130,000
PK 0119-100	Juanita Beach Bathhouse Replacement & Shelter	1,200,000	20%	240,000	960,000	0	0	1,200,000	0	1,200,000	0
PK 0121	Green Kirkland Forest Restoration Project	500,000	0%	0	500,000	450,000	0	0	50,000	500,000	0
PK 0133-100	Dock and Shoreline Renovations	1,000,000	0%	0	1,000,000	0	0	1,000,000	0	1,000,000	0
PK 0133-200	City-School Playfield Partnership	1,850,000	25%	462,500	1,387,500	0	0	1,000,000	850,000	1,850,000	0
PK 0133-300	Neighborhood Park Land Acquisition	2,984,000	100%	2,984,000	0	0	0	2,250,000	0	2,250,000	734,000
PK 0133-400	Edith Moulton Park Renovation	800,000	25%	200,000	600,000	0	0	600,000	0	600,000	200,000
PK 0133-401	Edith Moulton Park Renovation Phase 2	1,115,000	70%	780,500	334,500	127,400	7,600	200,000	0	335,000	780,000
PK 0134	132nd Square Park Playfield Improvements	637,000	20%	127,400	509,600	509,600	0	0	0	509,600	127,400
PK 0138	Everest Park Restroom/ Storage Building Replacement	708,000	0%	0	708,000	708,000	0	0	0	708,000	0

Rate Study for Park Impact Fees • City of Kirkland

1	2	3	4	5	6	7	8	9	10	11	12
Project #	Project Name	Total Cost	% Capacity	Capacity Cost	Non-Capacity Cost	Funding: REET 1	Funding: Reserve	Funding: Park Levy	Funding: Grants or Donations	Total Funding	Unfunded Capacity Cost
PK 0139 200	Totem Lake Park master Plan & Development	1,744,000	100%	1,744,000	0	660,000	0	0	500,000	1,160,000	584,000
PK 0139 300	Totem Lake Park Development Phase 2	2,800,000	100%	2,800,000	0	0	0	0	0	0	2,800,000
New project based on CNM 0024 301 - PK 146 (working project #)	King County Eastside Rail Acquisition in North Kirkland - CKC North Extension Development	1,000,000	100%	1,000,000	0	0	0	0	0	0	1,000,000
PK 147 (working project #)	Parks Maintenance Center	1,500,000	5%	75,000	1,425,000	1,425,000	0	0	0	1,425,000	75,000
Totals		21,441,500		11,589,000	9,852,500	4,858,000	612,100	7,123,000	1,991,000	14,584,100	6,857,400



CITY OF KIRKLAND

123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

ATTACHMENT 3

MEMORANDUM

To: Kurt Triplett, City Manager
From: Eric Shields, Planning and Building Director
Date: August 27, 2015
Subject: School Impact Fees

Recommendation

Council receives a briefing on the proposal to increase the amount of school impact fees collected by the City on behalf of the Lake Washington School District, effective January 1, 2016, and provides direction on any desired changes and directs staff to bring an ordinance changing the fees, along with changes to other impact fees, for Council adoption at the December 8 Council meeting.

Background

Kirkland is currently collecting school impact fees on behalf of the Lake Washington School District. Every year, the District prepares a Capital Facilities Plan that establishes the capital needs of the District and calculates the amount of impact fees necessary to support the Plan. The formula used to calculate impact fees discounts the amount of the fees by 50%.

A new Capital Facilities Plan 2015-2020 was adopted by the Lake Washington School District Board on June 1, 2015 (attached). The new plan establishes the following school impact fee rates:

	Existing (2014) Rates	Proposed (2015) Rates	Proposed Increase
Single Family Units	\$9,623	\$9,715	\$92
Multi-family Units	\$ 745	\$ 816	\$71

Forrest Miller, Director of Support Services for the Lake Washington School District, submitted a letter on July 27, 2015 requesting that the City collect the increased fees beginning no later than January 1, 2016. Mr. Miller has been invited to the September 15, 2015 City Council meeting and should be available at that time to answer any questions the Council may have about the new fees.

Attachment A: Letter from Forrest Miller and adopted LWSD Capital Facility Plan 2015-2016

**Support Services Center**

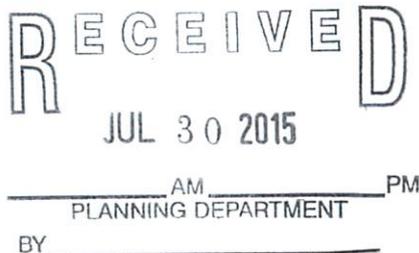
15212 N.E. 95th Street

Redmond WA. 98052

Office: (425) 936-1100 • Fax: (425) 883-8387

July 27, 2015

Mr. Eric Shields, AICP
 City of Kirkland Planning Director
 Kirkland City Hall
 123 5th Avenue
 Kirkland, WA 98033



RE: 2015 Capital Facilities Plan and School Impact Fees

Dear Eric:

Enclosed please find the Lake Washington School District's 2015 Capital Facilities Plan (the "Updated CFP") and school impact fees. The District's Board of Directors adopted the Updated CFP on June 1, 2015. The District presented the Updated CFP to the King County School Technical Review Committee (STRC) on July 15, 2015. The STRC is recommending that King County approve the District's Updated CFP and school impact fees.

The District's requested school impact fees are \$9,715 for single family dwelling units (an increase of \$92 over the 2014 rate) and \$816 for multi-family dwelling units (an increase of \$71 over the 2014 rate). The school impact fees are based upon capacity projects at all grade levels needed to serve new growth. The fees have increased slightly this year primarily due to an increase in the elementary school student generation rate. However, this increase is largely offset by the increase in the tax payment credit (based on increased average assessed valuation). The school impact fees continue to be discounted by fifty percent of the calculated rate.

The District requests that the City of Kirkland begin its process to adopt the Capital Facilities Element of the City's Comprehensive Plan to reflect the Updated CFP and to update the school impact fees charged by the City to reflect the District's updated school impact fees. Ideally, the City's new fees would be effective no later than January 1, 2016.

Please let me know if you have any questions related to the Updated CFP and/or school impact fees. In addition, please let me know of the City's estimated timeline for updating the school impact fees.

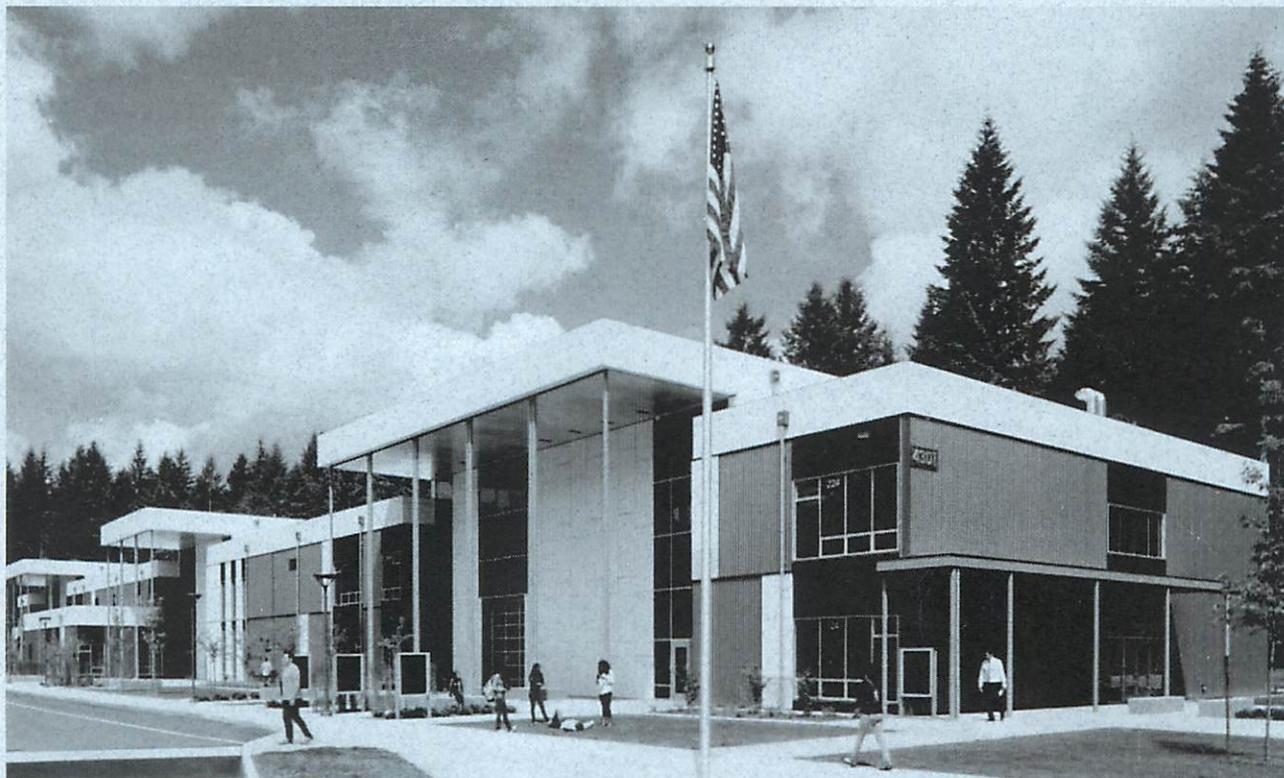
Sincerely,

Forrest W. Miller, CFM, REFP, EFM
 Director, Support Services

Enclosure

cc: Denise L. Stiffarm, Pacifica Law Group
 Rob Jammerman, City of Kirkland
 Paul Stewart, City of Kirkland

Six-Year Capital Facilities Plan 2015 - 2020



Nikola Tesla STEM High School

Board Adopted: June 1, 2015

Lake Washington School District #414

Serving Redmond, Kirkland, Sammamish, and King County, Washington

Lake Washington School District #414

Serving Redmond, Kirkland, Sammamish, and King County, Washington

SCHOOL BOARD MEMBERS

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Siri Bliesner

Mark Stuart

SUPERINTENDENT

Dr. Traci Pierce

Lake Washington School District's Six-Year Capital Facilities Plan 2015-2020

**For information about this plan, call the District Support Services Center
(425.936.1108)**

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I. Executive Summary

This Six-Year Capital Facilities Plan (the "plan") has been prepared by the Lake Washington School District (the "district"). It is the organization's primary facility planning document in compliance with the requirements of the State of Washington's Growth Management Act and King County Code 21A.43. This plan was prepared using data available in the spring of 2015.

King County was the first jurisdiction in the State of Washington to adopt a Growth Management Act school impact fee ordinance in 1991 (with fee collection first becoming effective in 1992). The King County Council adopted the ordinance, including the school impact fee formula, following a stakeholder process that included representatives from school districts and the development community. The adopted formula requires that the calculated fee be reduced by fifty percent. This discount factor was negotiated as a part of the stakeholder process. Most cities in King County (and in other areas) adopted the King County school impact fee formula, including the discount factor, in whole as a part of their school impact fee ordinances.

In order for impact fees to be collected in the unincorporated areas of King County, the King County Council must adopt this plan. The cities of Redmond, Kirkland and Sammamish have each adopted a school impact fee policy and ordinance similar to the King County model.

Pursuant to the requirements of the Growth Management Act and the local implementing ordinances, this plan will be updated on an annual basis with any changes in the fee schedule adjusted accordingly. See *Appendix B* for the current single family calculation and *Appendix C* for the current multi-family calculation.

The district's capital facilities plan establishes a "standard of service" in order to ascertain current and future capacity. This plan reflects the current student/teacher standard of service ratio and service model for other special programs. Future state funding decisions could have an additional impact on class sizes and facility needs.

While the State Superintendent of Public Instruction establishes square foot guidelines for funding, those guidelines do not account for the local program needs in the district. The Growth Management Act and King

I. Executive Summary (*continued*)

County Code 21A.43 authorize the district to determine a standard of service based on the district's specific needs.

The district's current standard provides the following (see *Section III* for specific information):

Grade Level	Target Teacher-Student Ratio
K-1	20 Students
2-3	25 Students
4-5	27 Students
6-8	30 Students
9-12	32 Students

School capacity is based on the district standard of service and the existing inventory of available classrooms, including both permanent and relocatable (portable) classrooms. As shown in *Appendix A*, the district's overall total capacity is 27,976, including permanent capacity of 24,817 and 3,159 in relocatables. Student headcount enrollment as of October 1, 2014 was 26,492.

The district experienced actual growth of 664 students in 2014. A six-year enrollment projection, as required for this plan, is shown in *Table 1*. During the six-year window from 2014 to 2020, enrollment is projected to increase by 3,343 students to a total of 30,055. An additional 712 students are expected from 2020 to 2022. Growth is projected at all grade levels.

It is one of the fastest growing school districts in the state. The most significant growth continues to be in the Redmond area. However, growth is also occurring in Kirkland and some growth in the Sammamish area resulting in overcrowding in many district schools. The district continues to see some growth from areas in unincorporated King County.

In February 2006, voters in the Lake Washington School District passed a bond measure to fund Phase II (2006-2013) of the Major Construction School Modernization/Replacement Program. The District has completed all these projects. In addition, in February 2011, a Major Construction

I. Executive Summary (*continued*)

Capital Levy measure was approved by voters to construct additional classrooms at Redmond High School and Eastlake High School, and also build the new Nikola Tesla STEM (Science Technology Engineering and Math) High School on the east side of the district. All three of these projects are also complete.

The district presented two bond measures to voters in 2014. Both bond measures failed. The first bond measure included both projects that addressed capacity issues and also aging facilities. The second bond measure included only projects needed to address capacity issues. The need still exists and it is anticipated that, subject to voter approval, similar projects will open or be in progress during the timeframe of this plan:

- Construct three new elementary schools: one in the Redmond Ridge East development area, one somewhere in the City of Kirkland, and the other in the North Redmond area
- Build a new middle school in the Redmond Ridge area
- Replace and expand Juanita High School and also begin construction on a new secondary Science, Technology, Engineering and Math focused High School on the same campus
- Expand Lake Washington High School with an addition to accommodate growth
- Add relocatable classrooms to address capacity as needed in the district.

A financing plan is included in *Section VIII*.

II. Six-Year Enrollment Projection and Long Term Planning

Six-Year Enrollment Projection

The district developed long-term enrollment projections to assess facility capacity needs in preparation for a 2014 bond measure. Based on these projections the district expects enrollment to increase by over 3,343 students from the 2015 school year through 2020.

The district experienced actual growth of 664 students in 2014. A six-year enrollment projection, as required for this plan, is shown in *Table 1*. During the six-year window from 2014 to 2020, enrollment is projected to increase by 3,343 students resulting in a 12.5% over the current student population. Growth is expected to significantly impact all grade levels. Enrollment growth of an additional 712 students is expected through 2022.

Student enrollment projections have been developed using two methods: (1) *cohort survival* - which applies historical enrollment trends to the classes of existing students progressing through the system; and (2) *development tracking* - which projects students anticipated from new development. The cohort survival method was used to determine base enrollments. Development tracking uses information on known and anticipated housing development. This method allows the district to more accurately project student enrollment resulting of new development by school attendance area.

Cohort Survival

King County live birth data is used to predict future kindergarten enrollment. Actual King County live births through 2013 are used to project kindergarten enrollment through the 2018-2019 school year. After 2019, the number of live births is based on King County projections. Historical data is used to estimate the future number of kindergarten students that will generate from county births. For other grade levels, cohort survival trends compares students in a particular grade in one year to the same group of students in prior years. From this analysis a cohort survival trend is determined. This trend shows if the cohort of students is increasing or decreasing in size. This historical trend can then be applied to predict future enrollment.

II. Six-Year Enrollment Projection and Long Term Planning
(continued)

Development Tracking

In order to ensure the accuracy and validity of enrollment projections, a major emphasis has been placed on the collection and tracking of data of 94 known new housing developments within the district. This information is obtained from the cities and county and provides the foundation for a database of known future developments and assures the district's plan is consistent with the comprehensive plans of the local permitting jurisdictions. Contact is made with each developer annually to determine the number of homes to be built and the anticipated development schedule. Some small in-fill or short plat projects are not tracked, such activity may result in increased student population.

Student Generation Rates

Developments that are near completion, or have been completed, within the last five years are used to forecast the number of students generated by new development. District wide statistics show that each new single-family home currently generates a 0.410 elementary student, 0.128 middle school student, and 0.099 senior high student, for a total of 0.637 school-age child per single family home (see *Appendix B*). New multi-family housing units currently generate an average of 0.062 elementary student, 0.016 middle school student, and 0.014 senior high student for a total of 0.092 school age child per multi-family home (see *Appendix C*). Since 2014 the total of the student generation numbers has increased for both single-family developments and multi-family developments. These student generation factors (see *Appendix D*) are used to forecast the number of students expected from the new developments which are planned over the next six years.

III. Current District "Standard of Service"

King County Code 21A.06 refers to a "standard of service" that each school district must establish in order to ascertain its overall capacity. The standard of service identifies the program year, the class size, the number of classrooms, students and programs of special need, and other factors determined by the district, which would best serve the student population. Relocatables (i.e. portable classroom units) may be included in the capacity calculation using the same standards of service as permanent facilities.

The standard of service outlined below reflects only those programs and educational opportunities provided to students that directly affect the capacity of the school buildings. The special programs listed below require classroom space; reducing the total permanent capacity of the buildings housing these programs. Newer buildings have been constructed to accommodate some of these programs. Older buildings require additional reduction of capacity to accommodate these programs. At both the elementary and secondary levels, the district considers the ability of students to attend neighborhood schools to be a component of the standard of service.

The standard of service changed slightly in the 2012-2013 school year to reflect the change in the school configuration model from K-6, 7-9 and 10-12 to a K-5, 6-8, 9-12 model. The standard of service will remain almost the same in the 2015-2016 school year.

The district's standard of service, for capital planning purposes and the projects identified in this plan, includes space needed to serve all students in All Day Kindergarten. In 2009, the State legislature established a schedule to fully fund All Day Kindergarten by 2017. Due to space limitations, the district's current standard of service is to provide one All Day Kindergarten classroom per school and provide additional All Day Kindergarten classrooms based on space available and demand for the fee based program. Currently, 68% of students participate in the All Day Kindergarten program.

III. Current District "Standard of Service" (continued)

Standard of Service for Elementary Students

School capacity at elementary schools is calculated on an average class size in grades K-5 of 24; based on the following student/teacher staffing ratios:

- Grades K - 1 @ 20:1
- Grades 2 - 3 @ 25:1
- Grades 4-5 @ 27:1

The elementary standard of service model also includes:

- Special Education for students with disabilities which may be provided in a self-contained classroom
- Music instruction provided in a separate classroom
- Computer Lab
- Art/Science room in modernized schools

Identified students will also be provided other educational opportunities in classrooms designated as follows:

- Resource rooms
 - District remediation programs
 - Learning assisted programs
 - Special Education
- English Language Learners (ELL)
- Preschool
- Gifted education (pull-out Quest programs)

Standard of Service for Secondary Students

School capacity at secondary school is based on the follow class size provisions:

- Class size for grades 6-8 should not exceed 30 students
- Class size for grades 9-12 should not exceed 32 students

III. Current District "Standard of Service" (continued)

In the secondary standard of service model:

- Special Education for students with disabilities may be provided in a self-contained classroom

Identified students will also be provided other special educational opportunities in classrooms designated as follows:

- Resource rooms
- English Language Learners (ELL)

Room Utilization at Secondary Schools

It is not possible to achieve 100% utilization of regular teaching stations at secondary schools due to scheduling conflicts for student programs, the need for specialized rooms for certain programs, and the need for teachers to have a work space during their planning periods. The district has determined a standard utilization rate of 70% for non-modernized secondary schools. For secondary schools that have been modernized, the standard utilization rate is 83%. The anticipated design of the modernized schools and schools to be constructed will incorporate features which will increase the utilization of secondary schools.

IV. Inventory and Evaluation of Current Facilities

The district has total classrooms of 1,391, including 1,253 permanent classrooms and 138 relocatable classrooms (see *Appendix A-1*). These classrooms represent a theoretical capacity to serve 32,501 if all classrooms were only used as general classroom spaces. However, the district's standard of service provides for the use of classrooms for special programs, such as special education, English Language Learners and safety net programs. These programs serve students at much lower student to teacher ratios than general education classrooms, or serve the same students for a portion of the day when they are pulled out of the regular classroom.

As a result, the real capacity of these school buildings is significantly lower. A total of 215 classroom spaces are used for special programs as shown in *Appendix A-2*. The remaining classrooms establish the net available capacity for general education purposes and represent the district's ability to house projected student enrollment based on the Standard of Service defined in Section III, Current District Standard of Service.

After providing space for special programs the district has a net available classroom capacity to serve 27,976 students. This includes 24,385 in permanent regular education capacity, 432 for self-contained program capacity and 3,159 in portable (relocatable) capacity.

The school configuration change that was implemented in 2012-2013 provided some relief to the capacity issues faced at the elementary level at that time. Without this change the district would have needed to construct four elementary schools in addition to those needed as a result of current enrollment projections.

Enrollment is expected to increase to 30,055 in 2020 (see *Table 1*).

The physical condition of the district's facilities is documented in the 2013 State Study and Survey of School Facilities completed in accordance with WAC 180-25-025. As schools are modernized or replaced, the State Study and Survey of School Facilities report is updated. That report is incorporated herein by reference. In addition every district facility is annually evaluated as to condition in accordance with the State Asset Preservation Program.

V. Six-Year Planning and Construction Plan

Enrollment projections show that enrollment will increase at all grade spans. Based on the enrollment projections contained in *Table 5*, student enrollment is anticipated to reach 30,055 by 2020. The district current inventory of existing permanent capacity is 24,817. As a result student enrollment will exceed permanent capacity by 5,238 students in 2020.

To address existing and future capacity needs, the district contemplates using the following strategies:

- Construction of new schools
- Additions/expansion of existing high schools
- Modernization/replacement of older schools with increased capacity as needed
- Use of relocatables
- School feeder boundary adjustments
- Closing schools to out-of-attendance area variances

Construction of new capacity in one area of the district could indirectly create available capacity at existing schools in other areas of the district through area specific boundary adjustments. Future updates to this plan will include specific information regarding adopted strategies.

Strategies to address capacity needs employed over the prior six year planning timeline (2009-2014) include:

- Additional portables were placed at Rosa Parks Elementary School located within the Redmond Ridge development, which opened in the fall of 2006. The growth in the Redmond Ridge and Redmond Ridge East areas has resulted in the need to place ten (10) portables at the school over the last six years.

V. Six-Year Planning and Construction Plan (*continued*)

- Phase II School Modernization (2006-2013) was funded by the voters in February 2006. The approved bond measure funded the modernization/replacement of 11 schools throughout the district. School modernization/replacement projects included the addition of new student permanent capacity, as needed. The Phase II School Modernization projects included:
 - Frost Elementary School opened in the fall of 2009
 - Lake Washington High School and Finn Hill Middle School opened in the fall of 2011
 - Muir, Sandburg, and, Keller Elementary Schools opened in the fall of 2012
 - Bell, Rush, and Community Elementary Schools; Rose Hill Middle School; and International Community School opened in the fall 2013
- Additional classrooms were built at Redmond and Eastlake High Schools, and a new Science, Technology, Engineering and Math (STEM) high school (Nikola Tesla STEM High School) was built on the east side of the District. The additions opened in the fall of 2012. The STEM school was opened in 2012.
- Three boundary adjustments were completed: (1) Due to overcrowding at Rosa Parks Elementary in Redmond Ridge, a temporary boundary adjustment was made to reassign some students from Redmond Ridge East to Wilder Elementary; (2) Because of overcrowding at Einstein and Rockwell Elementary Schools a temporary boundary adjustment was conducted to move unoccupied new developments from those schools to Mann Elementary; and, (3) District-wide boundary adjustments were identified in 2014 for implementation in the fall of 2015
- Four additional relocatables were added to Mann Elementary and to Wilder Elementary in the summer of 2014 to accommodate additional students.
- Twenty-two relocatable classrooms will be added at various locations in the summer of 2015 (as identified in *Section VI*) to help relieve capacity issues. Eight additional portables are planned to be added in 2016 to accommodate enrollment growth.

V. Six-Year Planning and Construction Plan (*continued*)

Based on the student enrollment and facility capacity outlined in *Table 5*, the district contemplates the need for multiple growth projects within the period of this plan including:

- Three new elementary schools (one in the Redmond Ridge East, one in North Redmond and one in Kirkland)
- A new middle school in the Redmond area
- Expansion of Lake Washington High School
- A new Science Technology Engineering and Math focused secondary school on the west side of the district
- Rebuilding and expansion of Juanita High School

The rebuilding and expansion of Juanita High School, as well as the addition of a new Science Technology Engineering and Math focused secondary school are anticipated to be under construction, but not completed during the six year window of this plan.

Completed projects, as shown in *Table 5*, would result in student enrollment exceeding permanent capacity by 1,340 students in 2020. Many district sites are either at or close to maximum relocatable placement.. However, the District would use relocatable capacity to address remaining capacity needs if sites are able to accommodate additional relocatables.

VI. Relocatable and Transitional Classrooms

The district facility inventory includes 138 relocatables (i.e. portable classroom units) that provide standard capacity and special program space as outlined in *Section III* (see *Appendix A*).

Relocatable classrooms have been used to address capacity needs in the following schools:

- In 2009, four relocatable classrooms were added to Rosa Parks Elementary School in the Redmond Ridge Development
- In 2010, relocatable classrooms were added to district schools in Redmond and unincorporated King County
 - *Redmond area*: Rockwell Elementary School – two classrooms, and Einstein Elementary School – one classroom
 - *Unincorporated King County area*: Rosa Parks Elementary School – four classrooms
- In 2011, the district placed relocatable classrooms at school sites in Kirkland, Redmond and unincorporated King County:
 - *Kirkland area*: Lakeview Elementary School – two classrooms, and Rose Hill Elementary School two classrooms
 - *Redmond area*: Rockwell Elementary School – one classroom and Redmond Middle School - four classrooms
 - *Unincorporated King County area*: Rosa Parks Elementary School – two classrooms
- In 2012, the district placed four relocatable classrooms at Redmond High School. In addition, because of capacity issues, Northstar Middle School moved from Lake Washington High School into relocatables units at Emerson High School and Renaissance Middle School moved from Eastlake High School into relocatables classrooms on the same campus.
- In 2013, four relocatable classrooms were added to Redmond High School to support special education program space needs and two additional relocatable classrooms were placed at Redmond Middle School.
- In 2014 the district placed an additional ten relocatable classrooms needed as a result of enrollment growth. Four relocatables were placed at Mann Elementary School in Redmond and two at

VI. Relocatable and Transitional Classrooms

Redmond Elementary School. Four relocatables were placed at Wilder Elementary School.

- In 2015 the district will add twenty-two portables to address enrollment growth. These will be placed at various schools throughout the district.
- The district also plans to add another eight portables in 2016

Within the six-year planning window of this plan, projections indicate that other relocatables may be needed in all four jurisdictions (Sammamish, Redmond, Kirkland and unincorporated King County).

For a definition of relocatables and permanent facilities, see *Section 2 of King County Code 21A.06*. As schools are modernized/replaced, permanent capacity will be added to replace portables currently on school sites to the extent that enrollment projections for those schools indicate a demand for long-term permanent capacity (see *Table 5*).

As enrollment fluctuates, relocatables provide flexibility to accommodate immediate needs and interim housing. Because of this, new school and modernized school sites are planned for the potential of adding up to four portables to accommodate the changes in demographics. The use and need for relocatable classrooms will be balanced against program needs.

VII. Six-Year Classroom Capacities: Availability / Deficit Projection

Based on the six-year plan, there will be insufficient total capacity to house anticipated enrollment (see *Table 5*). As demonstrated in *Appendix A*, the district currently has permanent capacity (classroom and special education) to serve 11,201 students at the elementary level, 6,050 students at the middle school level, and 7,134 students at the high school level. Current enrollment at each grade level is identified in *Appendix A*. As depicted in *Table 5*, the district currently has insufficient permanent capacity and will continue to have insufficient permanent capacity due to growth through 2020. To the extent possible, relocatable facilities will continue to be used to address capacity needs that cannot be served by permanent capacity. However many district sites are either at or close to maximum relocatable placement.

Differing growth patterns throughout the district may cause some communities to experience overcrowding. This is especially true in the eastern portions of the district where significant housing development has taken place. Following the recent slow economy, there are continued signs of recovery, particularly in housing starts, and growth and the number of developments under construction continues to increase. The continued development of Redmond Ridge East, northwest Redmond, the Sammamish Plateau and also the in-fill, short plats and other development in Kirkland, will put pressure on schools in those areas.

VIII. Impact Fees and the Finance Plan

The school impact fee formula calculates a proportionate share of the costs of system improvements that are reasonably related to new development. The formula multiplies the per student costs of site acquisition and construction costs for new capacity projects by a student generation rate to identify the share per dwelling unit share of the facilities that are needed to serve new growth. (The student generation rate is the average number of students generated by dwelling unit type – new single family and multi-family dwelling units.) The formula then provides a credit against the calculated costs per dwelling unit for any School Construction Assistance Program funding that the District expects to receive for a new capacity project from the State of Washington and for the estimated taxes that a new homeowner will pay toward the debt service on school construction bonds. The calculated fee (see *Appendix B* and *Appendix C*) is then discounted, as required by ordinance, by fifty percent.

For the purposes of this plan and the impact fee calculations, the actual construction cost data from Sandburg Elementary School, opened in 2012; Rose Hill Middle School, opened in 2013; and Lake Washington High School, opened in 2011 have been used (see *Appendix E*).

The finance plan shown on *Table 6* demonstrates how the Lake Washington School District plans to finance improvements for the years 2015 through 2020. The financing components include secured and unsecured funding. The plan is based on future bond approval, securing state construction funding assistance and collection of impact fees under the State's Growth Management Act, and voluntary mitigation fees paid pursuant to Washington State's Environmental Policy Act.

IX. Appendices

Appendices A1-2: Calculations of Capacities for Elementary Schools, Middle Schools, and Senior High Schools

Appendix B: Calculations of Impact Fees for Single Family Residences

Appendix C: Calculations of Impact Fees for Multi-Family Residences

Appendix D: Student Generation Factor Calculations

Appendices E1-3: Calculation Back-Up

Calculations of Capacities for
Elementary, Middle, and High Schools

TOTAL ALL CLASSROOMS							
Elementary Schools	Number of Classrooms			Capacity			
	Permanent	Portable	Total	Permanent 23 x Classrooms	Portable 23 x Portables	Total	
ALCOTT	26	8	34	598	184	782	
AUDUBON	22	2	24	506	46	552	
BELL	27	0	27	621	0	621	
BLACKWELL	24	3	27	552	69	621	
CARSON	23	4	27	529	92	621	
COMMUNITY	3	0	3	69	0	69	
DICKINSON	23	4	27	529	92	621	
DISCOVERY	3	0	3	69	0	69	
EINSTEIN	24	1	25	552	23	575	
EXPLORER	3	1	4	69	23	92	
FRANKLIN	23	2	25	529	46	575	
FROST	24	0	24	552	0	552	
JUANITA	23	0	23	529	0	529	
KELLER	21	0	21	483	0	483	
KIRK	22	3	25	506	69	575	
LAKEVIEW	22	4	26	506	92	598	
MANN	22	4	26	506	92	598	
MCAULIFFE	23	7	30	529	161	690	
MEAD	25	6	31	575	138	713	
MUIR	23	0	23	529	0	529	
REDMOND	24	4	28	552	92	644	
ROCKWELL	25	5	30	575	115	690	
ROSA PARKS	27	10	37	621	230	851	
ROSE HILL	24	2	26	552	46	598	
RUSH	28	0	28	644	0	644	
SANDBURG	25	0	25	575	0	575	
SMITH	26	8	34	598	184	782	
THOREAU	22	0	22	506	0	506	
TWAIN	26	4	30	598	92	690	
WILDER	23	8	31	529	184	713	
Totals	656	90	746	15,088	2,070	17,158	
Middle Schools	Number of Classrooms			Capacity			
	Permanent	Portable	Total	Capacity Percent	Permanent (30 x Capacity %)	Portable (30 x Capacity %)	Total
ENVIRONMENTAL****	5	0	5	83%	125	0	125
EVERGREEN	35	9	44	70%	735	189	924
FINN HILL****	28	0	28	83%	697	0	697
INGLEWOOD	55	0	55	70%	1,155	0	1,155
INTERNATIONAL ****	21	0	21	83%	523	0	523
KAMIAKIN	30	7	37	70%	630	147	777
KIRKLAND****	25	0	25	83%	623	0	623
NORTHSTAR	0	4	4	70%	0	84	84
REDMOND ****	37	6	43	83%	921	149	1,070
RENAISSANCE	0	4	4	70%	0	84	84
ROSE HILL ****	41	0	41	83%	1,021	0	1,021
STELLA SCHOLA	3	0	3	83%	75	0	75
Totals	280	30	310	9	6,505	653	7,158
Senior High Schools	Number of Classrooms			Capacity			
	Permanent	Portable	Total	Capacity Percent	Permanent (32 x Capacity %)	Portable (32 x Capacity %)	Total
EMERSON HIGH	10	2	12	70%	224	45	269
EASTLAKE	93	0	93	70%	2,083	0	2,083
FUTURES	3	0	3	70%	67	0	67
JUANITA	55	8	63	70%	1,232	179	1,411
LAKE WASHINGTON**	59	0	59	83%	1,567	0	1,567
REDMOND ****	73	8	81	83%	1,939	212	2,151
TESLA STEM ****	24	0	24	83%	637	0	637
Totals	317	18	335		7,749	436	8,185
TOTAL DISTRICT	1253	138	1391		29,342	3,159	32,501
Key:							
Total Enrollment on this chart does not include Emerson K-12, contractual, transition and WaNIC students							
Self-continued rooms have a capacity of 12							
Elem computer labs equal 1 in all buildings, except choice schools and those that have dedicated lab space, that can't be used as a classroom/resource area							
Non-modernized secondary schools have standard capacity of 70%							
****Modernized secondary schools have standard capacity of 83%							

Elementary Schools	Permanent Classrooms	SPECIAL PROGRAM CLASSROOMS USED								Number of Classrooms		NET AVAILABLE CAPACITY				ENROLLMENT Oct 2
		Self Cont.	Resource Rooms	ELL Rooms	Pre-School	Computer Labs	Music Rooms	Arts/Sci Rooms	Pull-out	Net Permanent	Portable	Net Permanent Classroom	Self Contained	Portable Capacity	Total	
ALCOTT	26	0	2	1	0	1	2	0	0	20	8	480	0	184	644	645
AUDUBON	22	0	2	1	0	1	1	1	0	18	2	368	0	48	414	561
BELL	27	0	2	1	4	0	1	1	0	18	0	414	0	0	414	377
BLACKWELL	24	0	1	0	4	1	1	0	1	18	3	368	0	69	437	406
CARSON	23	0	1	0	0	1	1	1	0	19	4	437	0	92	529	426
COMMUNITY	3	0	0	0	0	0	0	0	0	3	0	69	0	0	69	73
DICKINSON	23	3	3	1	0	0	1	0	0	15	4	345	36	92	473	493
DISCOVERY	3	0	0	0	0	0	0	0	0	3	0	69	0	0	69	73
EINSTEIN	24	0	2	2	0	1	1	0	0	18	1	414	0	23	437	482
EXPLORER	3	0	0	0	0	0	0	0	0	3	1	69	0	23	92	72
FRANKLIN	23	0	2	0	0	1	1	1	1	17	2	391	0	46	437	466
FROST	24	1	2	1	0	1	1	1	0	17	0	391	12	0	403	397
JUANITA	23	0	1	1	4	1	1	1	0	14	0	322	0	0	322	326
KELLER	21	2	2	1	0	0	1	1	0	14	0	322	24	0	346	356
KIRK	22	0	3	0	0	0	1	0	0	18	3	414	0	69	483	495
LAKEVIEW	22	2	1	1	0	1	1	1	0	15	4	345	24	92	461	511
MANN	22	0	2	0	0	1	1	1	0	17	4	391	0	92	483	470
MCAULIFFE	23	2	1	0	0	0	1	0	0	19	7	437	24	161	622	491
MEAD	25	0	2	1	0	1	2	0	0	19	6	437	0	138	575	592
MUIR	23	0	3	1	1	0	1	1	0	16	0	368	0	0	368	373
REDMOND	24	2	3	1	0	1	1	0	0	18	4	368	24	92	484	481
ROCKWELL	25	0	2	1	0	0	1	0	0	21	5	483	0	115	598	673
ROSA PARKS	27	0	2	1	0	0	2	1	0	21	10	483	0	230	713	695
ROSE HILL	24	2	1	1	0	1	1	1	0	17	2	391	24	46	461	381
RUSH	28	0	2	1	1	0	1	1	0	22	0	506	0	0	506	521
SANDBURG	25	0	3	0	1	0	1	1	0	19	0	437	0	0	437	510
SMITH	28	0	4	0	0	1	2	0	0	19	8	437	0	184	621	588
THOREAU	22	0	2	0	0	1	1	0	1	17	0	391	0	0	391	274
TWAIN	26	1	2	1	0	1	1	1	0	19	4	437	12	92	541	618
WILDER	23	0	2	1	0	0	1	0	0	19	8	437	0	184	621	580
Totals	656	15	65	19	15	16	31	15	3	487	90	11,201	180	2,070	13,451	13,311
Middle Schools																
Number of Classrooms																
Net Permanent Classrooms																
Self Contained																
Portable Capacity																
Total																
Oct 2014																
ENVIRONMENTAL****	5	0	0	0						5	0	125	0	0	125	144
EVERGREEN	35	2	2	0						31	9	651	24	189	884	883
FINN HILL****	28	0	1	0						27	0	672	0	0	672	599
INGLEWOOD	55	2	2	0						51	0	1,071	24	0	1,095	1,116
INTERNATIONAL****	21	0	0	0						21	0	523	0	0	523	443
KAMIAKIN	30	1	1	1						27	7	587	12	147	726	565
KIRKLAND****	25	2	0	0						23	0	573	24	0	597	575
NORTHSTAR	0	0	0	0						0	4	0	0	84	84	90
REDMOND****	37	1	0	1						35	6	872	12	149	1,033	1,007
RENAISSANCE	0	0	0	0						0	4	0	0	84	84	96
ROSE HILL****	41	1	2	1						37	0	821	12	0	933	753
STELLA SCHOLA	3	0	0	0						3	0	75	0	0	75	91
Totals	280	9	8	3						260	39	6,050	108	653	6,811	6,392
Senior High Schools																
Number of Classrooms																
Net Permanent Classrooms																
Self Contained																
Portable Capacity																
Total																
Oct 2014																
EMERSON HIGH	10	0	2	0						8	2	179	0	45	224	66
EASTLAKE	93	3	5	0						85	0	1,904	36	0	1,940	1,568
EASTLAKES	3	0	0	0						3	0	67	0	0	67	59
JUANITA	55	4	3	1						47	8	1,053	48	179	1,280	1,353
LAKE WASHINGTON**	59	2	1	1						55	0	1,461	24	0	1,485	1,407
REDMOND****	73	3	0	1						69	8	1,833	36	212	2,081	1,777
TESLA STEM****	24	0	0	0						24	0	637	0	0	637	559
Totals	317	12	11	3						291	18	7,134	144	436	7,714	6,784
TOTAL DISTRICT	1,253	36	74	25	15	16	31	15	3	1,038	138	24,385	432	3,159	27,976	26,492
Key: Total Enrollment on this chart does not include Emerson K-12, contractual, transition and WaNIC students Self-contained rooms have a capacity of 12 Elem computer labs equal 1 in all buildings, except choice schools and those that have dedicated lab space, that can't be used as a classroom/resource area Non-modernized secondary schools have standard capacity of 70% ****Modernized secondary schools have standard capacity of 83%																

Estimated School Impact Fee Calculation Based on King County Code 21.A.43

Single Family Residence ("SFR")

School Site Acquisition Cost:

	<u>Facility Acreage</u>	<u>Cost/ Acre</u>	<u>Facility Size</u>	<u>Site Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	10	\$0	552	\$0	0.4100	\$0
Middle	20	\$0	900	\$0	0.1280	\$0
Senior	40	\$0	1500	\$0	0.0990	\$0
TOTAL						\$0

School Construction Cost:

	<u>Percent Permanent</u>	<u>Construction Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	90%	\$23,940,834	552	\$43,371	0.4100	\$16,004
Middle	90%	\$47,290,267	900	\$52,545	0.1280	\$6,053
Senior	90%	\$71,108,889	1400	\$50,792	0.0990	\$4,526
TOTAL						\$26,583

Temporary Facility Cost:

	<u>Percent Temporary</u>	<u>Construction Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	10%	\$225,000	24	\$9,375	0.4100	\$384
Middle	10%	\$225,000	30	\$7,500	0.1280	\$96
Senior	10%	\$225,000	32	\$7,031	0.0990	\$70
TOTAL						\$550

State Assistance Credit Calculation:

	<u>Const Cost Allocation</u>	<u>Sq. Ft./ Student</u>	<u>Funding Assistance</u>	<u>Credit/ Student</u>	<u>Student Factor</u>	<u>Cost/ SFR</u>
Elementary	200.40	90.0	26.54%	\$4,787	0.4100	\$1,963
Middle	200.40	117.0	26.54%	\$6,223	0.1280	\$797
Senior	200.40	130.0	26.54%	\$6,914	0.0990	\$685
TOTAL						\$3,444

**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Single Family Residence ("SFR")

Tax Payment Credit Calculation:

Average SFR Assessed Value	\$593,906
Current Capital Levy Rate (2015)/\$1000	\$0.87
Annual Tax Payment	\$516.88
Years Amortized	10
Current Bond Interest Rate	3.68%
Present Value of Revenue Stream	\$4,260

Impact Fee Summary for Single Family Residence:

Site Acquisition Cost	\$0
Permanent Facility Cost	\$26,583
Temporary Facility Cost	\$550
State Match Credit	(\$3,444)
Tax Payment Credit	(\$4,260)
Sub-Total	\$19,429
50% Local Share	\$9,715

SFR Impact Fee	\$9,715
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**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Multiple Family Residence ("MFR")

School Site Acquisition Cost:

	<u>Facility Acreage</u>	<u>Cost/ Acre</u>	<u>Facility Size</u>	<u>Site Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	10	\$0	552	\$0	0.0620	\$0
Middle	20	\$0	900	\$0	0.0160	\$0
Senior	40	\$0	1500	\$0	0.0140	\$0
TOTAL						\$0

School Construction Cost:

	<u>Percent Permanent</u>	<u>Construction Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	90%	\$23,940,834	552	\$43,371	0.0620	\$2,420
Middle	90%	\$47,290,267	900	\$52,545	0.0160	\$757
Senior	90%	\$71,108,889	1400	\$50,792	0.0140	\$640
TOTAL						\$3,817

Temporary Facility Cost:

	<u>Percent Temporary</u>	<u>Construction Cost</u>	<u>Facility Size</u>	<u>Bldg. Cost/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	10%	\$225,000	23	\$9,783	0.0620	\$61
Middle	10%	\$225,000	30	\$7,500	0.0160	\$12
Senior	10%	\$225,000	32	\$7,031	0.0140	\$10
TOTAL						\$82

State Assistance Credit Calculation:

	<u>Const Cost Allocation</u>	<u>Sq. Ft./ Student</u>	<u>Funding Assistance</u>	<u>Credit/ Student</u>	<u>Student Factor</u>	<u>Cost/ MFR</u>
Elementary	200.40	90.0	26.54%	\$4,787	0.0620	\$297
Middle	200.40	117.0	26.54%	\$6,223	0.0160	\$100
Senior	200.40	130.0	26.54%	\$6,914	0.0140	\$97
TOTAL						\$493

**Estimated School Impact Fee Calculation
Based on King County Code 21.A.43**

Multiple Family Residence ("MFR")

Tax Payment Credit Calculation:

Average MFR Assessed Value	\$247,335
Current Capital Levy Rate (2015)/\$1000	\$0.87
Annual Tax Payment	\$215.26
Years Amortized	10
Current Bond Interest Rate	3.68%
Present Value of Revenue Stream	\$1,774

Impact Fee Summary for Single Family Residence:

Site Acquisition Cost	\$0
Permanent Facility Cost	\$3,817
Temporary Facility Cost	\$82
State Match Credit	(\$493)
Tax Payment Credit	(\$1,774)
Sub-Total	\$1,632
50% Local Share	\$816

MFR Impact Fee	\$816
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STUDENT GENERATION FACTORS

Five Year History

SINGLE FAMILY DEVELOPMENTS	CITY/ COUNTY	# PLANNED	# COMPL.	# OCCUP.	2015 STUDENTS				2015 RATIO			
					ELEM	MIDDLE	SENIOR	TOTAL	ELEM	MIDDLE	SENIOR	TOTAL
Ashford Chase	S	38	15	10	3	0	1	4	0.300	0.000	0.100	0.400
Brookside at The Woodlands	R	22	5	3	1	0	1	2	0.333	0.000	0.333	0.667
Cameron Place	R	13	13	13	8	1	1	10	0.615	0.077	0.077	0.769
Chatham Ridge	K	15	15	15	7	1	2	10	0.467	0.067	0.133	0.667
Crestwood at Forbes Creek	K	11	11	11	3	0	1	4	0.273	0.000	0.091	0.364
Evergreen Lane	R	24	24	24	4	3	1	8	0.167	0.125	0.042	0.333
Glenshire at English Hill Div I	R	28	28	28	2	1	3	6	0.071	0.036	0.107	0.214
Gramercy Park	S	28	28	22	17	6	3	26	0.773	0.273	0.136	1.182
Greenbriar Estates	S	58	58	58	50	11	7	68	0.862	0.190	0.121	1.172
Greystone Manor I	R	91	45	43	19	1	1	21	0.442	0.023	0.023	0.488
Harmon Ridge	K	12	12	12	3	0	0	3	0.250	0.000	0.000	0.250
Hazelwood	R	76	76	76	8	4	6	18	0.105	0.053	0.079	0.237
Illahaee Tract M	S	16	16	16	8	2	1	11	0.500	0.125	0.063	0.688
Inglewood Place	S	21	21	21	9	3	3	15	0.429	0.143	0.143	0.714
Lakeshore Estates	R	17	17	17	3	0	2	5	0.176	0.000	0.118	0.294
Lakeview Lane	K	29	29	29	2	0	2	4	0.069	0.000	0.069	0.138
Mondavio/Verona I/Vistas I	R	80	69	59	26	15	11	52	0.441	0.254	0.186	0.881
Nettleton Commons	K	25	25	25	4	1	3	8	0.160	0.040	0.120	0.320
Northstar	R	132	132	132	62	22	23	107	0.470	0.167	0.174	0.811
Panorama Estates	K	18	16	16	2	0	0	2	0.125	0.000	0.000	0.125
Park Ridge	R	51	51	51	11	7	4	22	0.216	0.137	0.078	0.431
Perrigo Heights	R	24	24	24	17	6	2	25	0.708	0.250	0.083	1.042
Pine Meadows	S	26	26	26	12	2	5	19	0.462	0.077	0.192	0.731
Prescott at English Hill	R	70	70	70	23	9	8	40	0.329	0.129	0.114	0.571
Redmond Ridge East	KC	665	650	650	320	94	43	457	0.492	0.145	0.066	0.703
Reserve at Patterson Creek	KC	29	27	25	8	3	6	17	0.320	0.120	0.240	0.680
Sable & Aspen Ridge	R	30	30	30	7	4	1	12	0.233	0.133	0.033	0.400
Sequoia Ridge	R	14	14	14	4	1	2	7	0.286	0.071	0.143	0.500
Stirling Manor	S	16	16	16	13	6	5	24	0.813	0.375	0.313	1.500
Summer Grove I & II	K	38	38	38	2	1	2	5	0.053	0.026	0.053	0.132
Sycamore Park	R	12	10	5	1	0	0	1	0.200	0.000	0.000	0.200
The Crossings	R	18	18	18	12	8	2	22	0.667	0.444	0.111	1.222
Tyler's Creek	R	90	90	90	55	10	10	75	0.611	0.111	0.111	0.833

**2015 MITIGATION DEVELOPMENT SUMMARY
STUDENT GENERATION FACTORS
Five Year History**

SINGLE FAMILY DEVELOPMENTS	CITY/ COUNTY	# PLANNED	# COMPL.	# OCCUP.	2015 STUDENTS				2015 RATIO			
					ELEM	MIDDLE	SENIOR	TOTAL	ELEM	MIDDLE	SENIOR	TOTAL
Vintner's Ridge	K	51	41	34	6	1	1	8	0.176	0.029	0.029	0.235
Wexford at English Hill	R	16	16	16	5	1	6	12	0.313	0.063	0.375	0.750
Willowmere Park	R	53	20	9	2	1	0	3	0.222	0.111	0.000	0.333
Wisti Lane	K	18	12	9	2	0	0	2	0.222	0.000	0.000	0.222
Woodlands Ridge	R	25	25	25	3	2	3	8	0.120	0.080	0.120	0.320
Woodlands West	R	74	74	74	16	11	11	38	0.216	0.149	0.149	0.514
TOTALS		2,074	1,907	1,854	760	238	183	1,181	0.410	0.128	0.099	0.637

STUDENT GENERATION FACTORS

Five Year History

MULTI-FAMILY DEVELOPMENTS	CITY/ COUNTY	# OF UNITS	% OCCUP/ # COMPL.	# OCCUP.	2015 STUDENTS				2015 STUDENTS			
					ELEM	MIDDLE	SENIOR	TOTAL	ELEM	MIDDLE	SENIOR	TOTAL
Delano Apartments	R	126	97%	122	4	0	0	4	0.033	0.000	0.000	0.033
Elan Apartments	R	134	95%	127	4	0	0	4	0.031	0.000	0.000	0.031
Francis Village	K	61	61	61	4	5	2	11	0.066	0.082	0.033	0.180
Graystone Condos	R	16	16	16	4	0	0	4	0.250	0.000	0.000	0.250
Kempin Meadows Condos	KC	58	38	38	6	1	1	8	0.158	0.026	0.026	0.211
Kirkland Commons	K	15	15	15	1	0	1	2	0.067	0.000	0.067	0.133
Luna Sol Apartments	K	52	92%	48	1	0	1	2	0.021	0.000	0.021	0.042
Plateau 228	S	71	71	71	15	4	6	25	0.211	0.056	0.085	0.352
Red 160 Apartments	R	250	96%	241	1	0	2	3	0.004	0.000	0.008	0.012
Redmond Ridge East Duplex	KC	135	26	26	7	1	0	8	0.269	0.038	0.000	0.308
Redmond Square Apartments	R	156	93%	145	9	1	4	14	0.062	0.007	0.028	0.097
Slater 116 Condos	K	108	108	96	0	0	1	1	0.000	0.000	0.010	0.010
The Ondine	K	102	102	93	1	0	0	1	0.011	0.000	0.000	0.011
Velocity Apartments	K	58	100%	58	13	3	1	17	0.224	0.052	0.017	0.293
Villas @ Mondavia	R	84	84	84	14	6	1	21	0.167	0.071	0.012	0.250
Waterscape	K	196	96%	188	5	2	0	7	0.027	0.011	0.000	0.037
Woodrun Townhomes	R	20	20	20	1	0	0	1	0.050	0.000	0.000	0.050
TOTALS		1,642		1,449	90	23	20	133	0.062	0.016	0.014	0.092

	<i>Sandburg Elementary School</i>	<i>Future Elementary School</i>
<i>Cost</i>	<i>598 student capacity *</i>	<i>552 student capacity</i>
<i>Construction Cost (bid 2011, actual const. costs)</i>	\$21,720,911	
<i>Projected Construction Cost in 2017 @ 3% per year</i>	\$25,935,903	
<i>Size Comparison</i>	598 (26 classrooms x 23 students per classroom = 598 students)	552 (24 classrooms x 23 students per classroom = 552 students)
<i>Capacity Adjustment</i>		
<i>2011 construction cost</i>	\$36,323 per student space (based on 2012 construction costs, \$21,720,911 / 598 students)	
<i>2017 projected cost, adjusted for capacity difference</i>	\$43,371 per student space (based on 2017 projected costs, \$25,935,903 / 598 students)	\$43,371 per student space x 552 students = \$23,940,834 (based on 2017 projected costs)
<i>Cost Adjustment</i>		
<i>Construction Cost (bid 2011, actual const. costs)</i>	\$21,720,911	
<i>Projected Construction Cost in 2017 @ 552 student capacity</i>		\$23,940,834

	<i>Rose Hill Middle School</i>	<i>Future Middle School</i>
	<i>900 student capacity</i>	<i>900 student capacity</i>
Cost		
Construction Cost (bid 2012)	\$40,793,000	
Projected Construction Cost in 2017 @ 3% per year	\$47,290,267	
Size		
Comparison	900 (36 classrooms x 30 students per classroom = 1,080 x .83 utilization factor = 900 students)	900 (36 classrooms x 30 students per classroom = 1,080 x .83 utilization factor = 900 students)
Capacity		
Adjustment		
2012 construction cost	\$45,325 per student space (based on 2012 construction costs, \$40,793,000 / 900 students)	
2017 projected cost, no capacity difference	\$52,545 per student space (based on 2017 projected costs, \$47,290,267 / 900 students)	\$52,545 per student space x 900 students = \$48,708,975 (based on 2017 projected costs)
Cost		
Adjustment		
Construction Cost (bid 2012)	\$40,793,000	
Projected Construction Cost in 2017 @ 900 student capacity		\$47,290,267

	<i>Lake Washington High School</i> <i>1,567 student capacity</i>	<i>Future High School</i> <i>1,400 student capacity</i>
<i>Cost</i>		
Construction Cost 2009	\$61,000,000	
Projected Construction Cost in 2018 @ 3% per year	\$79,591,164	
<i>Size Comparison</i>		
	1,567 (59 classrooms x 32 students per classroom = 1,888 x .83 utilization factor = 1,567 students)	1,400 (53 classrooms x 32 students per classroom = 1,696 x .83 utilization factor = 1,400 students)
<i>Capacity Adjustment</i>		
2009 construction cost	\$38,928 per student space (based on 2009 construction costs, \$61,000,000 / 1,567 students)	
2018 projected cost, adjusted for capacity difference	\$50,792 per student space (based on 2018 projected costs, \$79,591,164 / 1,567 students)	\$50,792 per student space x 1,400 students = \$71,108,889 (based on 2018 projected costs)
<i>Cost Adjustment</i>		
Construction Cost 2009	\$61,000,000	
Projected Construction Cost in 2018 @ 1,400 student capacity		\$71,108,889

X. TABLES

Table 1: Six-Year Enrollment Projections

Table 2: Enrollment History

Table 3: Inventory and Capacities of Existing Schools

Table 4: Inventory of Undeveloped Land

Table 4a: Map

Table 5: Projected Capacity to House Students

Table 6: Six-Year Finance Plan

Six-Year Enrollment Projections

	<u>2014*</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
County Live Births**	25,057	24,514	24,630	25,032	24,910	24,910	25,093
change		(543)	116	402	(122)	0	183
Kindergarten ***	2,007	1,985	2,005	2,052	2,058	2,060	2,079
Grade 1 ****	2,291	2,231	2,210	2,228	2,272	2,268	2,267
Grade 2	2,284	2,455	2,391	2,367	2,376	2,415	2,411
Grade 3	2,270	2,317	2,499	2,424	2,391	2,395	2,434
Grade 4	2,258	2,294	2,340	2,530	2,439	2,402	2,406
Grade 5	2,256	2,287	2,329	2,372	2,566	2,462	2,425
Grade 6	2,123	2,239	2,265	2,320	2,376	2,545	2,449
Grade 7	2,023	2,094	2,216	2,233	2,290	2,343	2,498
Grade 8	2,053	2,007	2,082	2,205	2,213	2,270	2,319
Grade 9	1,933	2,045	1,976	2,073	2,187	2,186	2,238
Grade 10	1,853	1,922	2,036	1,968	2,060	2,171	2,171
Grade 11	1,727	1,911	1,984	2,096	2,026	2,114	2,225
Grade 12	1,634	1,752	1,937	2,008	2,116	2,045	2,133
Total Enrollment	26,712	27,539	28,270	28,876	29,370	29,676	30,055
Yearly Increase		827	731	606	494	306	379
Yearly Increase		3.10%	2.65%	2.14%	1.71%	1.04%	1.28%
Cumulative Increase		827	1,558	2,164	2,658	2,964	3,343

* Number of Individual Students (10/1/14 Headcount).

** County Live Births estimated based on OFM projections. 2018 and prior year birth rates are actual births 5 years prior to enrollment year.

*** Kindergarten enrollment is calculated at 7.99% of County Live Births plus anticipated developments.

**** First Grade enrollment is based on District's past history of first grade enrollment to prior year kindergarten enrollment.

Enrollment History *

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
County Live Births **	22,487	21,778	21,863	22,431	22,874	22,680	24,244	24,899	25,222	25,057
Kindergarten / Live Birth	7.71%	8.21%	7.76%	7.95%	8.15%	8.25%	7.87%	7.86%	8.08%	8.01%
								Period Average		7.99%
Kindergarten	1,734	1,789	1,696	1,783	1,865	1,872	1,908	1,957	2,037	2,007
Grade 1	1,846	1,916	1,959	1,903	2,047	2,146	2,121	2,150	2,218	2,291
Grade 2	1,881	1,860	1,901	2,020	1,936	2,108	2,203	2,174	2,228	2,284
Grade 3	1,792	1,870	1,853	1,934	2,036	1,968	2,116	2,207	2,236	2,270
Grade 4	1,868	1,776	1,857	1,901	1,937	2,056	1,986	2,125	2,231	2,258
Grade 5	1,775	1,810	1,753	1,854	1,897	1,936	2,051	2,003	2,137	2,256
Grade 6	1,872	1,726	1,825	1,738	1,838	1,898	1,920	2,002	1,979	2,123
Grade 7	1,828	1,818	1,692	1,805	1,726	1,829	1,857	1,929	2,047	2,023
Grade 8	1,807	1,806	1,811	1,673	1,819	1,734	1,831	1,860	1,924	2,053
Grade 9	1,860	1,765	1,755	1,782	1,660	1,756	1,687	1,802	1,868	1,933
Grade 10	1,887	1,824	1,763	1,739	1,780	1,672	1,740	1,714	1,795	1,853
Grade 11	1,853	1,856	1,811	1,728	1,742	1,798	1,671	1,730	1,649	1,727
Grade 12	1,799	1,881	1,890	1,909	1,802	1,816	1,824	1,742	1,699	1,634
Total Enrollment	23,802	23,697	23,566	23,769	24,085	24,589	24,915	25,395	26,048	26,712
Yearly Change		(105)	(131)	203	316	504	326	480	653	664
* October 1st Headcount	Average increase in the number of students per year									323
** Number indicates actual births 5 years prior to enrollment year.	Total increase for period									2,910
	Percentage increase for period									12%
	Average yearly increase									1.36%

2014-15 Inventory and Capacities of Existing Schools

			<u>Total</u> <u>Capacity**</u>	<u>Net Avail</u> <u>Capacity**</u>
*	<u>Juanita Area</u>	Address		
25	Frost Elementary	11801 NE 140th	552	403
03	Juanita Elementary	9635 NE 132nd	529	322
04	Keller Elementary	13820 108th NE	483	346
26	Muir Elementary	14012 132nd NE	529	368
06	Discovery Community	12801 84th NE	69	69
06	Sandburg Elementary	12801 84th NE	575	437
02	Thoreau Elementary	8224 NE 138th	506	391
63	Finn Hill Middle School	8040 NE 132nd	697	672
60	Environmental & Adventure	8040 NE 132nd	125	125
67	Kamiakin Middle School	14111 132nd NE	777	726
82	Futures School	10601 NE 132nd	67	67
82	Juanita High School	10601 NE 132nd	1,411	1,280
	<u>Kirkland Area</u>			
07	Bell Elementary	11212 NE 112th	621	414
96	Community School	11133 NE 65th	69	69
16	Franklin Elementary	12434 NE 60th	575	437
09	Kirk Elementary	1312 6th Street	575	483
10	Lakeview Elementary	10400 NE 68th	598	461
15	Rose Hill Elementary	8044 128th NE	598	461
18	Rush Elementary	6101 152nd NE	644	506
14	Twain Elementary	9525 130th NE	690	541
96	International Community School	11133 NE 65th	523	523
65	Kirkland Middle School	430 18th Avenue	623	597
80	Northstar Middle School	12033 NE 80th	84	84
69	Rose Hill Middle School	13505 NE 75th	1,021	933
61	Stella Schola Middle School	13505 NE 75th	75	75
80	Emerson High	10903 NE 53rd St	269	224
84	Lake Washington High	12033 NE 80th	1,567	1,485
	<u>Redmond Area</u>			
53	Alcott Elementary	4213 228th NE	782	644
19	Audubon Elementary	3045 180th NE	552	414
46	Dickinson Elementary	7040 208th NE	621	473
24	Einstein Elementary	18025 NE 116th	575	437
46	Explorer Community School	7040 208th NE	92	92
22	Mann Elementary	17001 NE 104th	598	483
23	Redmond Elementary	16800 NE 80th	644	484
21	Rockwell Elementary	11125 162nd NE	690	598
41	Rosa Parks Elementary	22845 NE Cedar Park Creser	851	713
32	Wilder Elementary	22130 NE 133rd	713	621
74	Evergreen Middle School	6900 208th NE	924	864
71	Redmond Middle School	10055 166th NE	1,070	1,033
73	Tesla STEM High School	400 228th Ave NE	637	637
85	Redmond High School	17272 NE 104th	2,151	2,081
	<u>Sammamish Area</u>			
54	Blackwell Elementary	3225 205th PL NE	621	437
52	Carson Elementary	1035 244th Ave NE	621	529
57	McAuliffe Elementary	23823 NE 22nd	690	622
58	Mead Elementary	1725 216th NE	713	575
56	Smith Elementary	23305 NE 14th	782	621
77	Inglewood Middle School	24120 NE 8th	1,155	1,095
86	Renaissance	400 228th NE	84	84
86	Eastlake High School	400 228TH NE	2,083	1,940

* Note: See Table 4a for District Map. Locations indicated by numbers stated in this column.

** Note: "Total Capacity" = Total permanent/portable capacity as constructed
(Total Capacity does not account for space used by special programs)
"Net Available Capacity" = Total Capacity minus uses for special programs
(Net Available Capacity accounts for space used by special programs)

Inventory of Undeveloped Land

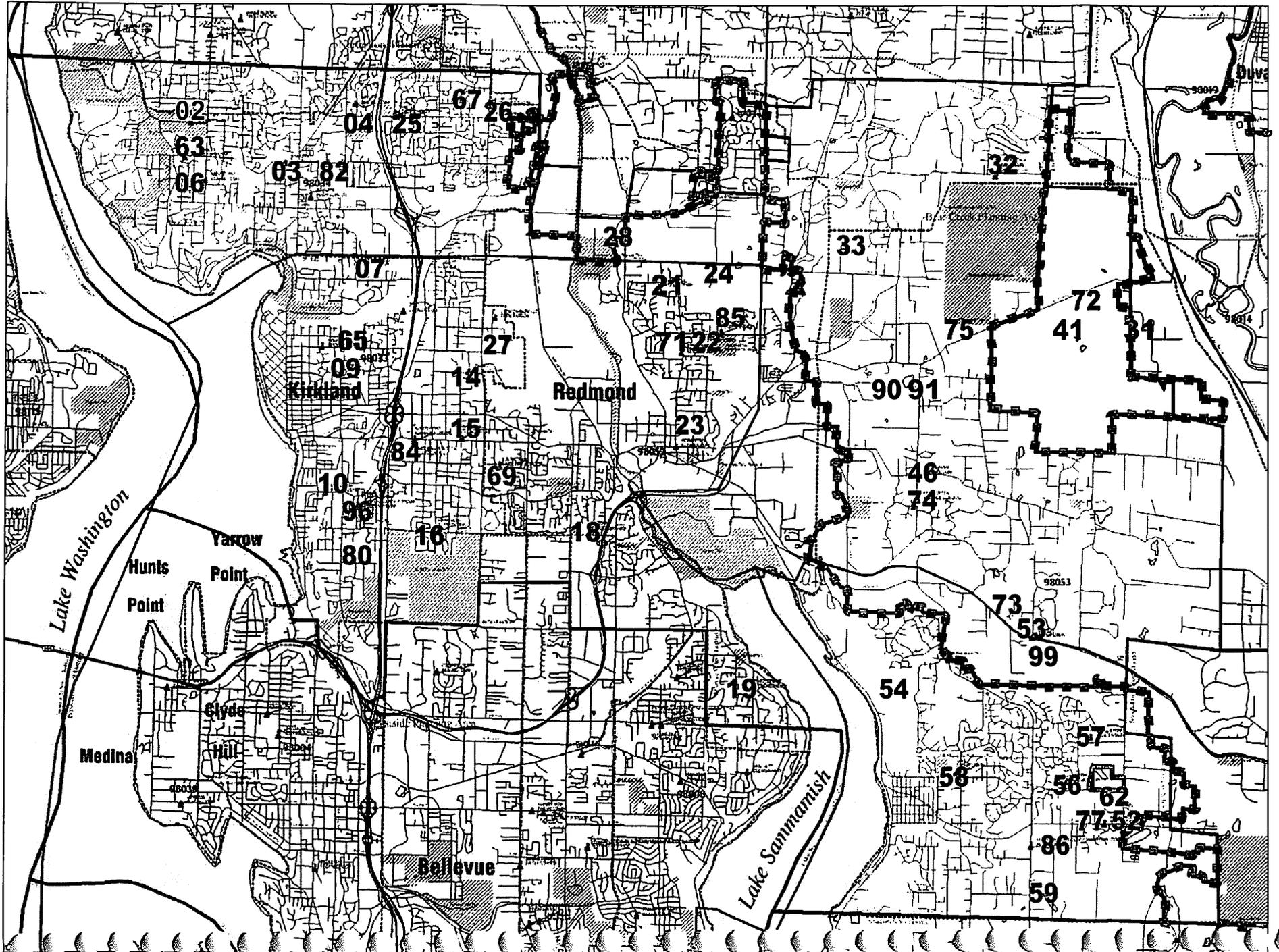
<i>Site # *</i>	<i>Area</i>	<i>Address</i>	<i>Jurisdiction</i>	<i>Status</i>
<u>Juanita Area</u>				
None				
<u>Kirkland Area</u>				
27	Elementary	10638 – 134 th Ave. NE	Redmond	In reserve ***
<u>Redmond Area</u>				
28	Elementary School	172 nd NE & NE 122 nd	King County	In reserve
31	Elementary School	Redmond Ridge East	King County	In reserve
33	No School Use Allowed	194 th NE above NE 116 th	King County	*****
59	Elementary School	Main & 228 th NE	Sammamish	In reserve ***
75	Undetermined	22000 Novelty Hill Road	King County	In reserve ***
72	Middle School	Redmond Ridge Corporate Center	King County	In reserve
90	No School Use Allowed	NE 95 th & 195 th NE	King County	*****
91	Undetermined	NE 95 th Street & 173 rd Place NE	King County	In reserve ***
99	Bus Satellite	22821 Redmond-Fall City Road	King County	In reserve ***

Footnotes

- “**” = See Table 4a for a District map. Locations indicated by numbers stated in this column.
- “****” = “In reserve” refers to sites owned by the District. While the District does not anticipate construction school facilities on these sites within these six years, they are being held for the District’s long term needs.
- “*****” = Property unable to be used for a school site due to the King County School Siting Task Force recommendations as adopted by the King County Council.

The King County Rural Area Task Force concluded:

1. "Lake Washington 2" (Site 75): 37.85 acre site located on the north side of Novelty Hill Road & adjacent to south boundary of Redmond Ridge. The District must work with King County to find an alternative site within the UGA. If an alternative site cannot be feasibly located, the District can use the site for a "small [5 acre] environmental school while placing the remainder of the use into permanent conservation."
2. "Lake Washington 4": Existing undeveloped acreage at Dickinson/Evergreen site - this acreage be used for school development and can connect to sewer.
3. "Lake Washington 1 (Site 33)": 19.97 acres located 1/4 mile east of Avondale Road - *no school use allowed*; potential conservation value.
4. "Lake Washington 3" (Site 90): 26.86 acres located 1/4 mile south of Novelty Hill Road and 1/2 mile east of Redmond City Limits - *no school use allowed*.



Projected Capacity to House Students

	2014	2015	2016	2017	2018	2019	2020
Permanent Capacity	24,817						
New Construction*:							
Redmond Ridge East Elementary #31					550		
New Elementary #28 (Pope Property)					550		
New Elementary (Kirkland Area)					550		
New Middle School #72						900	
Lake Washington High School Addition					500		
New STEM High School							600
Expansion							
Redmond Elementary Addition			138				
Juanita High School #82							110
Permanent Capacity Subtotal	24,817	24,817	24,955	24,955	27,105	28,005	28,715
Total Enrollment	26,712	27,539	28,270	28,876	29,370	29,676	30,055
Permanent Surplus/(Deficit) <u>without</u> Projects	(1,895)	(2,722)	(3,453)	(4,059)	(4,553)	(4,859)	(5,238)
Permanent Surplus / (Deficit) <u>with</u> Projects	(1,895)	(2,722)	(3,315)	(3,921)	(2,265)	(1,671)	(1,340)

*New schools and additional permanent capacity through modernization/replacement.

***Note: All projects listed on Table 6 are potential projects dependent on voter approval

These projects are anticipated to be under construction, but not completed within the six year window of this plan

Six-Year Finance Plan

										Est Secured	Unsecured
										State	Local *
* = In Progress		<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>		
Site 31	New - Redmond Ridge East El		4,600,000	12,500,000	18,500,000	2,700,000			38,300,000		38,300,000
Site 28	New - North Redmond El		3,600,000	12,600,000	18,200,000	2,700,000			37,100,000		37,100,000
Site XX	New - Kirkland Area El		3,600,000	12,600,000	18,200,000	2,700,000			37,100,000		37,100,000
Site 84	Addition - Lake Washington High School		6,300,000	22,050,000	3,150,000				31,500,000		31,500,000
Site 72	New - Redmond Area Middle School		5,200,000	7,200,000	28,700,000	26,800,000	4,100,000		72,000,000		72,000,000
Site 82	Mod - Juanita High School		7,200,000	16,450,000	51,500,000	44,950,000	26,000,000	10,400,000	156,500,000		156,500,000
Site XX	New - Westside STEM School		1,050,000	6,000,000	12,150,000	18,250,000	3,050,000		40,500,000		40,500,000
	Portables*	1,900,000	2,100,000	2,200,000					6,200,000		6,200,000
	Totals	\$1,900,000	\$33,650,000	\$91,600,000	\$150,400,000	\$98,100,000	\$33,150,000	\$10,400,000	\$419,200,000	\$0	\$419,200,000

* These are expected to be secured through Impact and Mitigation Fees. (Calculation of estimated impact fees are shown in Appendix B & C.)

** Monies for the major projects above have not been secured but these projects are shown because of the need

*** Projects included above and in the plan represent the most comprehensive approach.



CITY OF KIRKLAND
Department of Public Works
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ATTACHMENT 4

MEMORANDUM

To: Tracey Dunlap, Deputy City Manager

From: Rob Jammerman, Development Engineering Manager
Kathy Brown, Public Works Director

Date: September 2, 2015

Subject: Upcoming Changes to the Deferred Impact Fee Program

RECOMMENDATION:

It is recommended that the City Council reviews the background information related to new Washington State legislation that requires an amendment to our existing Impact Fee Deferment Program. After reviewing the information, Council should provide direction to staff regarding the recommended amendment choices.

BACKGROUND DISCUSSION:

The City started an impact fee deferment program for new single-family residential Building Permits in 2010. The program was modeled after a similar program adopted by the City of Sammamish. Kirkland voluntarily implemented our deferment program in response to the economic recession that was on-going at the time. Our current deferment program includes the following:

1. Only available for new single-family residential Building Permits.
2. A covenant is recorded against the title of the subject property that requires the deferred impact fees to be paid from escrow prior to closing of sale of the subject property.
3. Traffic, Park and School Impact Fees are deferred.
4. Applicants pay a \$240 administration fee for each lien filed.
5. Use of the deferment program is low, with an average of 15 deferments having been filed each year since the program started (an average of 188 new single-family Building Permits were issued each year during this same time period).

On May 11, 2015, the Governor signed Senate Bill 5923, which adopted amended language to RCW 82.02.050 requiring all cities, towns, and counties (Agencies) to have an impact fee deferment program for single-family detached and attached residential construction. This amendment to RCW 82.02.050 requires the City to do the following:

1. Expand our existing program to include attached residential Building Permits (multi-family projects).
2. Choose when the deferred impact fee must be paid. The new legislation allows Agencies to choose if the deferred impact fee must be paid at:
 - A. Final inspection (single-family residential) or final occupancy (multi-family residential) of the Building Permit; or,
 - B. Closing of the sale of the property (as we do now with our existing program).
3. All Agencies must have an impact fee deferment program in place by September 1, 2016.
4. The new legislation also requires all impact fees to be paid within 18 months of Building Permit issuance.

Because Kirkland already has an impact fee deferment program for detached residential Building Permits, City Council only needs to give direction to staff related to the following:

1. ***Should new multifamily Building Permits be required to pay their deferred impact prior to issuance of the final occupancy of the Building Permit or prior to sale of the property?***

Staff recommends that multifamily Building Permits be required to pay the deferred impact fee prior issuance of the final occupancy for the Building Permit for the following reasons:

- A. The law requires impact fees to be paid within 18 months of Building Permit issuance (see #4 above in previous section). Since most multi-family projects average 1-2 years to complete, it is most practical to require the payment prior to final occupancy, or at 18 months after the Building Permit was issued, whichever occurs first.
- B. Payment of outstanding fees and completing outstanding paperwork prior to final occupancy aligns with multi-family construction industry standards.

2. *Should new single-family Building Permits be allowed to continue to defer impact fees until final closing (as our current program allows), or should these permits also be required to pay the fee prior to final inspection of the Building Permit?*

Staff recommends that the impact fee deferment program for single-family Building Permits be aligned with multi-family deferment program and the deferred impact fees be paid prior to final inspection of the Building Permit. Although this is a change to the current process, it will keep administration of the deferment program consistent between the two types of permits and the change will have minimal bearing given the small number of permit applicants that have used the current program (avg. 15/year).

Based on input and direction from Council, staff will return with KMC code amendments when the new impact fees are adopted.



CITY OF KIRKLAND
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Marilynne Beard, Deputy City Manager

Date: September 3, 2015

Subject: FIRE DISTRICT #41 INTERLOCAL AGREEMENT CLARIFICATION AND NORTH KIRKLAND FIRE STATION UPDATE

RECOMMENDATION:

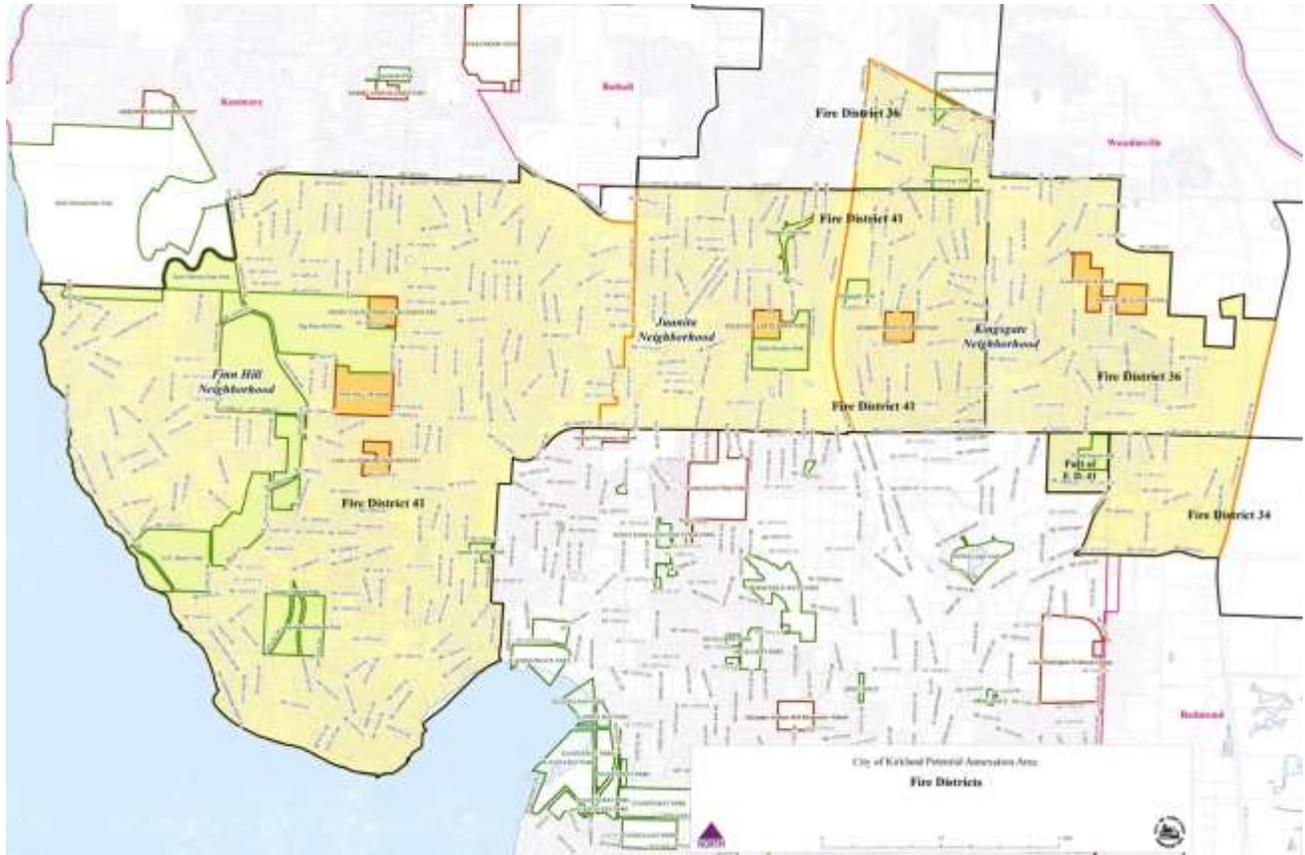
City Council receives an update on the North Kirkland Fire Station project in preparation for an October 6, 2015 public hearing regarding a resolution clarifying the intent of the 2011 interlocal agreement between Fire District #41 and the City of Kirkland in order to allow the renovation of Station 25 and the purchasing of property for a new Station 24 using Fire District #41 funds.

BACKGROUND DISCUSSION:

The North Kirkland Fire Station project has been a topic of discussion for many years beginning prior to annexation and continuing through multiple studies and reports related to the project. The purpose of this memo is to provide an overview of the historical background regarding planning for fire service enhancements for the Finn Hill neighborhood beginning prior to the 2011 annexation to the present time. This memo is a synthesis of several more detailed presentations to the Council and is not intended to repeat all of the information, data and analysis provided in those packets. Most of the background materials were drawn from previous staff and consultant reports and excerpts are shown in italics.

Effect of Annexation on Fire Districts

Prior to the 2011 annexation, the unincorporated area to the north was served by three agencies. Fire District #41 served the majority of the area through a contract with Kirkland Fire, Woodinville Fire and Life Safety served the easternmost portion (Kingsgate) and Redmond Fire District #34 served a small area on the Kirkland/Redmond border as shown on the map below.



State law dictates the terms under which a fire district is partially or completely assumed by an annexing city. In the case of Fire District #41, the entire district was within the annexation area. In this case, state law requires that all assets of the District be transferred to the City (including Stations 24 and 25 in Finn Hill and Station 27 in Juanita). On the effective date of annexation, the City became responsible for providing fire and emergency medical services to the area previously served by the District. The District only continued to exist to the extent that it needed to resolve any outstanding business matters (e.g. pay outstanding bill, prepare closing financial statements). The Kirkland City Council became the District's board of commissioners for the purpose of any official action needed to dissolve the District.

Interlocal Agreement

One of the last official actions of the District's Board was to approve an interlocal agreement (ILA) providing for the City to assume responsibility for outstanding projects and programs that were not completed prior to annexation. One of the projects was the Fire Strategic Plan for which the District had contributed significant funding. The other project was the fire station consolidation project first initiated by Fire District #41 around 2005. The station consolidation project was intended to improve response times in the Finn Hill area. A number of station sites were explored including a parcel within Big Finn Hill Park and a portion of the Lake Washington School District's Finn Hill Junior High site. Because these properties were both owned by public entities, the Fire District believed they could be used for little or no acquisition cost.

The original estimated cost of the station was determined by the Fire District at \$5.2 million. The estimate was to build a consolidated station of a similar size to Station 25 and did not include any property acquisition funds as the assumption was the station would be built on public land. Funding for the station was to come from District cash reserves (\$1.2 million) and limited general obligation debt that the District would issue prior to the effective date of annexation (\$4 million). Under the ILA, the anticipated sales proceeds from the two Stations that were to be decommissioned (Station 24 and 25) were not considered a funding source for the station project but primarily to retire the bond debt.

By completing the borrowing process prior to June 1, 2011 the District could assure that financing would be in place for the station project. It also allowed the King County Assessor to continue to levy taxes for the payment of principal and interest on the outstanding debt after the District no longer existed. Although the City became the service provider after June 1, the ability to levy taxes on behalf of the District continues until the bonds are paid off.

The ILA was approved by the City Council on May 24, 2011 (included as Attachment A) and provided for:

- Agreement for the District to issue \$4,000,000 in general obligation debt for the purpose of funding the station consolidation project in the Finn Hill area.
- Agreement that the City would use all District financial assets for the benefit of the District taxpayers to support fire and emergency medical services and payment of any outstanding liabilities of the District.
- Designation of a portion of the cash reserves to continue firefighter reserve stipends through 2011, continued funding for the Districts administrative staff through 2011 and \$70,000 for the Fire Strategic Plan. (These were all accomplished by the City)
- Agreement to use any remaining assets for the Finn Hill fire station consolidation project or a Finn Hill fire station renovation project and to retire the District's debt if the consolidation project is determined to be not necessary.
- Acknowledgement of the King County Treasurer as the ex officio Treasurer for the District following June with responsibility for dispersing tax revenue for the retirement of outstanding debt.
- Conditions under which the decommissioned fire stations would be sold and the proceeds applied to the station project. Importantly, the station sales proceeds could not be considered available for funding the construction since they could not be decommissioned until after the new station was occupied. The proceeds would then be used to prepay principal and interest on the debt, thereby reducing the service period and allowing the district's levy to be discontinued.
- The City can retain the sites but must use City funds to buy down the debt in an amount equal to the appraised value of the properties. If the proceeds are greater than the amount needed to retire the debt, the balance must be used for fire and emergency medical services or equipment for fire stations located within the District boundaries.

- Finally, the ILA provides for the possibility of the City determining that the station consolidation project is not feasible or necessary. In that case, all debt proceeds and other District assets would be used to retire the debt and, if any assets remained, for fire station upgrades or for equipment or services.

Fire Strategic Plan and Standard of Cover

Following annexation, the City hired a consulting firm (ESCI) to prepare a [Fire Strategic Plan](#). One element of the project was an evaluation of department performance including evaluation of response time standards and actual response times. ESCI concluded that *"There are small pockets of area in the City that require longer than four minutes of travel time to reach. The largest area is in the northwest section of Kirkland in the Finn Hill neighborhood, generally in the area surrounding Fire Station No. 24."* The report goes on to say:

"There are options that the KF&BD can use to improve coverage to the northwest (Finn Hill) area of the City:

- *Combine Fire Station Nos. 24 and 25 in a new location*
- *An additional (new) fire station*
- *Staff Fire Station No. 24 with career personnel*
- *Establish and maintain a shared facility with Northshore FD*

Combining Fire Station Nos. 24 and 25 at a better location could result in shorter travel time in Finn Hill and greater geographic coverage in the Finn Hill neighborhood. This would not resolve the need for a fire or EMS unit and additional personnel resources in this area of the City. There is no increase in the number of personnel available for incidents that require more than a single unit. Either adding a new fire station or staffing Fire Station No. 24 with full time personnel is considered to be cost prohibitive. Annual personnel services cost of one full-time staffed fire engine with three firefighter/EMTs is approximately \$2.5 million. Above the expenditures for personnel services are capital apparatus, administrative and support, training, and supply costs.

A shared or jointly staffed new facility in a location that would serve Northshore and Kirkland has benefits and cost avoidance for both fire departments. It would:

- *Reduce travel time to an underserved area of Kirkland and Northshore*
- *Add an apparatus to an underserved areas of the City*
- *Add an apparatus for response to incidents requiring multiple units*
- *Make the total number of personnel equal to KF&BD's full alarm assignment staffing*
- *Cost much less than constructing a fire station independently*
- *Improve service demand coverage"*

The report also noted that aging fire stations would require significant investment to address building repairs, seismic upgrades and safety improvements.

In their August 6, 2013 response, the Department noted that *"the consultant's report identified current response times were impacted by geographic area and station, however it was not detailed enough to truly understand the underlying factors impacting response times. The Department is conducting a Standard of Cover Study to obtain this information. This is an in-*

depth evaluation of response times and resource allocation including dispatch times, turnout times and drive times to emergency incidents. The study will also look at Station location, deployment of resources and the steps necessary to achieve response time standards."

The 2013-2014 Budget included one-time funding for 12-hour aid car staffing at Station 24 in Finn Hill to function at peak times. In a September 2012 memo "Fire Strategic Plan Recommendations Reflected in 2013-2014 Proposed Budget, an interim plan was funded. *"Over the coming biennium, the City will work with Northshore Fire and affected employee groups to determine the feasibility and cost of an ongoing partnership. Unless there is a significant economic recovery with resultant additional tax revenue to the City, it will be unlikely that the City can continue this staffing without some sort of voter approved funding..."* Joint staffing of Station 24 is a mandatory subject of bargaining for both the Kirkland and Northshore IAFF locals. City Administration was unable to reach an agreement with Kirkland's IAFF in 2013 to jointly staff the station but decided to continue discussions once the Standard of Cover Study was completed. The 12-hour aid car funding (still one-time) was ultimately used to fund a fourth firefighter at Station 25 to improve service in Finn Hill until a longer term solution could be found. The Council approved the continuation of the one-time funding in the 2015-2016 budget and the fourth firefighter still remains at Station 25.

At that point, there were two concurrent projects taking place – the continuation of the station consolidation siting process and the Standard of Cover study. While it was believed that one study could impact the other, the exercise of marrying the two studies would occur once they were both completed. Therefore, the station consolidation project proceeded as first scoped which was to find a location for the combined operations of Station 25 and 24 that could provide the maximum coverage to the Finn Hill area. Under this process, Stations 25 and 24 would be closed and the properties sold once the new station was completed. The Standard of Cover study was to be a detailed analysis of the City's response performance compared to targets citywide.

On June 17, 2014, the "[Standards of Coverage and Deployment Plans](#)" was presented by ESCI consultant Joe Parrott to the City Council. A summary of the major findings and recommendations were provided in a staff memo. Pertinent recommendations included:

- 1) *Improving Street Connectivity – Adding connector streets and removing several street barricades is suggested to reduce both travel distance and response times to specific neighborhoods. See SOCDP page 127.*
 - *Associated preliminary cost estimate: Costs are dependent on many variables and available remedies. The connector between Juanita Drive and NE 132nd Street on Finn Hill has been estimated at \$14,000,000. Removing the barricades prohibiting through access to neighborhoods would have minimal associated costs but significant community opposition.*
- 2) *Relocation of Two Fire Stations – Moving both Station 24 and Station 27 would significantly decrease response times to both the Finn Hill and Totem Lake neighborhoods. See SOCDP page 128.*
 - *Associated preliminary cost estimates: Station costs can vary up to \$10 million depending on costs for land acquisition, site upgrades and station design and*

construction. Currently \$5.2 million is allocated for construction of a new station to better serve North Finn Hill.

- 3) Staff Engine Companies with Four Firefighters - This effectively doubles the number of Emergency Medical Service (EMS) response units. When two firefighters respond to an EMS call the remaining two can respond to subsequent calls in their area. See SOCDP page 129.*

There are currently five engine companies and one ladder company serving Kirkland. Each apparatus is staffed 24 hours/7 days per week/365 days a year with three firefighters. Adding a fourth firefighter to each fire apparatus that is cross staffed with an aid unit for each of the three shifts and to staff firefighters to cover all leave types require a hiring ratio of 4.8 firefighter per single firefighter position. Therefore it will require thirty firefighters to staff engine companies with four firefighters.

- Associated preliminary cost estimate: The cost to hire thirty firefighters in order to increase six companies to four firefighter minimum staffing is between \$4 million and \$5 million annually, including benefits and support overhead.*

The staff memo described communication and outreach efforts in the Finn Hill Neighborhood where four alternative station configurations were presented by staff:

- 1. Status Quo - maintain existing response and upgrade Fire Station 25 only.*
- 2. Dual Station - maintain Fire Station 25 at its current location and locate a new fire station in the northwest area of the city.*
- 3. Single Station - relocate Fire Station 25 and provide a single fire station in the northwest area of the city.*
- 4. Single Station with New Emergency Access Drive- relocate fire station 25 and provide a single fire station in the northwest are of the city. Add a new emergency access drive to the Holmes Point neighborhood.*

Single Station and Dual Station Models

A detailed presentation of the response time maps for the "single station" model and the "dual station" model were presented. The "single station" model was essentially the consolidated station whereby Stations 25 and 24 would be closed and operations would be combined in a new station located more centrally on Finn Hill. The "dual station" model flowed from the Standard of Cover Study and proposed keeping Station 25 open at its present location and building a new station closer to the intersection of 100th Avenue NE and NE 132nd Street (near Juanita Elementary School). It also recommended moving Station 27 to a new location east of I-405, which would also address a response time gap in northeast Kingsgate. In addition, further work by Kirkland staff to update the station cost estimates to account for inflation and new codes and regulations identified that the "single station" proposal would cost far more than the amount provided by the Fire District. Estimated costs ranged from a low of \$8 million to a high of approximately \$12 million compared to \$5.2 million provided by District. When considering the cost of land and site improvements for a new station under the "dual station" model, the price was closer to \$10 to \$11 million.

Due to the long term operational benefits, staff recommended the "dual station" model as the best investment to lay the foundation for covering all the Finn Hill service gaps as well improve service to all of the former Fire District #41 residents by relieving pressure on Station 27 responses. The City Council supported the recommendation and directed staff to develop more refined cost estimates and identify specific properties for a new Station 24 near Juanita Elementary School. Later in 2014, acknowledging that any option would require additional funding, the City Council appropriated an additional \$3 million in one-time money for the station project. The most recent estimate to build a new Station 24 is \$12.6 million, assuming the station is built by 2018 and including \$2.5 million for property acquisition.

Fire Station Modernization

As noted earlier, the Fire Strategic Plan identified the need for significant repairs, upgrades and safety improvements at the existing fire stations. Using a portion of the \$3 million, a consultant was hired to assess each of the five stations and provide a list of recommended repairs and upgrades and associated costs. The improvements identified by the consultant range from seismic and safety improvements to apparatus, alerting systems, staff quarters, and building systems. The consultants also identified the need for expansion of certain stations to accommodate larger apparatus and improved ingress/egress. Under the "dual station" model, Station 25 needs to be remodeled and a new Station 24 and a new Station 27 would be built on new locations.

The 2015-2020 Preliminary Capital Improvement Program identifies the following estimated station modernization and replacement costs:

Station	Cost
Fire Station 21 Expansion and Remodel	3,885,400
Fire Station 22 Expansion and Remodel	5,812,600
Fire Station 25 Renovation	3,787,000
Fire Station 26 Expansion and Remodel	6,763,900
Fire Station 24 Replacement	12,633,000
Fire Station 27 Replacement	16,098,500
Total	48,980,400

Related Staffing Implications

The station consolidation project assumed that Station 25 staff would move into the new consolidated project and no new staff would be necessary. When the City Council supported the dual station model, staff needed to identify how the additional station would be staffed. The City Manager and the Fire Chief recommended that 3 of the 6 staff from Station 27 be moved to the new station since Station 27 had two engine companies, the result of staffing

added after the annexation. The "split" of Station 27 staffing was met with opposition from the firefighters and the City Manager agreed to set aside that staffing option. Adding a cross-staffed (engine/aid car) company to the new Station 24 would cost approximately \$2.2 million per year. At their February 20, 2015 retreat, the City Council acknowledged that there was a need for significant new capital and operating funding to fully fund the dual station model. The Council identified potential ballot measures in 2016 or beyond as the most likely way to secure this funding.

Use of Fire District Funds Without Financial Penalty

The City's detailed exploration of siting and constructing a consolidated fire station determined that the \$5.2 provided by the district was significantly less than the revenue needed and that the dual station model provided better service. One key element of the dual station model was the retention and renovation of Station 25. However, the interlocal agreement between Fire District #41 and the City of Kirkland was very specific about the use of District funds including the bond proceeds. The actual bond issue specified that the bond proceeds would be used for the "station consolidation project." If the City retained both Station 24 and 25, it would have to buy down the debt by the fair market value of the stations. In essence, the City would have to purchase the stations from itself at an estimated cost of \$1.2 million, resulting in less available revenue to build a new station or renovate Station 25.

When the City Council selected the dual station model to provide better overall response times to the entire north end, staff consulted the District's Bond Counsel to determine whether the bond proceeds could be redirected to a better solution for meeting the service needs for Finn Hill. Alice Ostdiek from the firm of Foster Pepper PLLC was bond Counsel for the District for the debt issue. Ms. Ostdiek was contacted by Kirkland staff to determine what, if any, steps could be taken to redirect the funds without losing the fair market value of the two stations. She suggested that the City contact and meet with all of the former District Commissioners to clarify the intent of the interlocal agreement and use of the bond proceeds and District cash. She also recommended that the City Council prepare a resolution stating the Council's intent to accomplish the purpose of the ILA and implement better response times in Finn Hill through an alternative use of the District assets and hold a public hearing prior to amending the ILA.

The Commissioners at the time the interlocal agreement was executed were Rick Krogh, Jim Lloyd, and current City Councilmember Toby Nixon. Staff contacted former Commissioners Krogh and Lloyd to invite them to participate in the public hearing and discussion. Both former Commissioners declined to participate in the public hearing, but did not voice objections to the suggested course of action.

City Manager's Alternative Improved North End Fire and Emergency Services Plan

The residents of Finn Hill have continued to inquire about when the City will take more permanent action to improve service to Finn Hill (compared to the interim fourth firefighter at Station 25). Similarly, residents of the Kingsgate neighborhood have expressed concern about adequate coverage in the northwest neighborhoods. Representatives of the Finn Hill Neighborhood Alliance felt that the community might be supportive of interim joint staffing of Station 24 if the resource was on-going. They felt that the community had seen Station 24 open and close too often and that certainty of the resource was needed.

Based on all of this information and history, City Manager developed the following recommendation for short and long term strategies that fulfill the intent of the Fire District #41 ILA, begin implementation of the recommendations contained in the Fire Strategic Plan and Standard of Cover study taking into consideration available funding.

Potential Improvements to North End Fire and Emergency Services

Goal: Invest FD #41 and City resources to fulfill response time commitments to Finn Hill while addressing the concerns of the community, the City and the IAFF.

Immediate Actions (2015)

- Do not split Station 27. Leave existing 6 Firefighters at Station 27 to serve Juanita and Kingsgate.
- Approve Fire District #41 ILA "clarification" to retain Station 25 and Station 24 without financial penalty.
- Renovate Station 25 with a portion Fire District #41 \$5.2 million. (Estimated at \$3.8M)
- Purchase property for a new Station 24 (Estimated at up to \$2.5M) near Juanita Elementary School with the remainder of the FD #41 money and a portion of the \$3 million the City has budgeted for the North End Fire Station.
- With IAFF agreement, reopen current Station 24 with a 24/7 dedicated aid car in partnership with the Northshore Fire District on an interim basis (3-5 years) until a new Station 24 is built.
- If such an agreement can be reached, convert the temporary 4th firefighter at Station 25 to an on-going resource to provide Kirkland's staffing at the current Station 24.
- Kirkland and Northshore would alternate providing two person crews at current Station 24 as determined by negotiations with both unions.
- Finalize Fire Station renovation and expansion analysis for inclusion in CIP process and as the basis for a potential ballot measure in 2016 or subsequent years.
- Invest remaining portion of \$3 million to improve fire service through the CIP and budget processes through Fire Strategic Plan implementation. (Some examples would be adding opticon gates to Finn Hill street barriers, and/or improvements to Station 27, evaluating 111th Street connection to Station 21 and so on.)
- An alternative would be to not focus on the Finn Hill barriers and instead set aside the remaining portion of the \$3 million (which could range between \$1.5M to \$2M) to help purchase land for a new Station 27 east of I-405.

Next Steps (2016 and beyond)

- Place a Fire Station Bond Measure on the Ballot that includes:
 - Land purchase and construction of a new Fire Station 27 east of I-405.
 - Construction of new Station 24 near Juanita on purchased property.
 - Renovation and/or expansion of Stations 21, 22, and 26.
- Move Kirkland staff from old Station 24 to new Station 24. Close old Station 24.
- Consider a companion operating levy to help staff the new Station 24 and other identified operating needs.

Under this plan, the \$5.2 million from Fire District #41 would be used to fund the Station 25 modernization project (\$3.8 million) and to the remainder (\$1.4 million) to help purchase property for the future new North Kirkland station. Realization of this strategy is dependent on multiple factors:

- As previously stated, joint or alternating staffing of Station 24 is a mandatory subject of bargaining for both Kirkland and Northshore IAFF locals. The Northshore Fire Commissioners, Fire Chief and Northshore union have indicated interest in pursuing this strategy, depending on the details. The City Manager has opened the issue in contract negotiations with the Kirkland IAFF. However, no specific agreement has been reached. If either or both locals decline to bargain the issue, staff would need to develop an alternative interim staffing model. The City Manager would likely recommend continuing to fund the fourth firefighter at Station #25 with one-time money until permanent funding for new staff can be secured.
- Testimony at public hearing would need to support or, at a minimum, not present significant objections to the redirected use of District Funds.
- The City Council would need to approve the resolution clarifying the intent of the District assets and amending the ILA.

Recommended Actions

The draft resolution clarifying the intent of the interlocal agreement, prepared by the former District's bond counsel Alice Ostdiek, is attached for Council review and comment. Councilmember Nixon can speak to the District's intent as a former commissioner.

Staff is also seeking Council feedback on the City Manager's alternative plan, particularly whether Council would like to reserve remaining City dollars to help purchase land for a new Station 27 rather than explore Finn Hill barricade options.

Finally, staff recommends that the City Council hold a public hearing on the proposed resolution on October 6, 2015 so that the public can be invited to comment prior to any Council action. If approved, the City would continue to pursue appropriate properties for the new stations 24 (and 27 if so directed) and proceed with property purchases.

RESOLUTION R-4881

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF KIRKLAND AND KING COUNTY FIRE PROTECTION DISTRICT #41 REGARDING THE ANNEXATION OF THE JUANITA-FINN HILL-KINGSGATE AND WILD GLEN AREAS.

WHEREAS, the City of Kirkland ("City") has annexed the Juanita-Finn Hill-Kingsgate and Wild Glen areas, which will remove all of the territory served by King County Fire Protection District #41 District ("District") from its jurisdiction by operation of law as of June 1, 2011; and

WHEREAS, thereafter the City will be responsible for providing fire protection and emergency medical services for those areas and the District will be dissolved; and

WHEREAS, the District wants to ensure all District financial assets and future property taxes levied for the purpose of retiring District debt will be used solely for the purpose of providing fire and emergency medical services and facilities within the District's boundaries as they exist immediately prior to June 1, 2011 or costs attributable to the disposition of the District and retiring debt, respectively; and

WHEREAS, the parties have determined certain other matters need to be addressed and memorialized as authorized by Chapter 39.34 of the Revised Code of Washington,

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland an interlocal agreement substantially similar to that attached as Attachment "A", which is entitled "Interlocal Agreement Between the City of Kirkland and King County Fire Protection District #41 Regarding the Annexation of District Territory by the City."

Passed by majority vote of the Kirkland City Council in open meeting this 17th day of May, 2011.

Signed in authentication thereof this 17th day of May, 2011.


MAYOR

Attest:


City Clerk

INTERLOCAL AGREEMENT BETWEEN
THE CITY OF KIRKLAND
AND
KING COUNTY FIRE PROTECTION DISTRICT NO. 41
REGARDING THE ANNEXATION OF DISTRICT TERRITORY BY THE CITY

Pursuant to the Interlocal Cooperation Act, Chapter 39.34 of the Revised Code of Washington, the **City of Kirkland** ("City") and **King County Fire Protection District No. 41** ("District") do hereby enter into this Interlocal Agreement ("Agreement").

WHEREAS, the City has annexed the territory served by the District as described in the attached Exhibit "A" ("Annexation Area"), which will remove all of the territory served by the District from its jurisdiction by operation of law as of June 1, 2011; and

WHEREAS, as a result, the parties have determined certain matters need to be addressed and memorialized as authorized by Chapter 39.34 of the Revised Code of Washington;

NOW THEREFORE, in consideration of their mutual promises herein, the parties hereby agree as follows:

1. Purpose. The purpose of the Agreement is to provide for the financing and completion of certain projects and programs the District has undertaken, or with respect to which the District has engaged in substantial planning (collectively, the "Projects"), including the construction of a new fire station in the Finn Hill area of the District to replace Stations 24 and 25 which currently serve that area (the "Fire Station Consolidation Project"). This Agreement is entered into in anticipation that on June 1, 2011 ("Annexation Effective Date"), the entire territory of the District will be annexed into the City ("Annexation").

2. Projects And Programs To Be Completed. The District has undertaken or engaged in substantial planning for the following Projects which will not be completed prior to, or will continue after, the Annexation Effective Date.

a. Reserve Program Stipends. Due to budget constraints, the City eliminated stipends to volunteer firefighters in the City's reserve firefighter program from the operating budget of the joint fire and emergency medical services operated by the City and the District pursuant to their joint operating agreement. The District committed that in 2010 and 2011 it would contribute up to \$60,000 per year to continue payment of the stipends to volunteer firefighters to assure continuance of the reserve program, which staffs Station 24 within the District.

b. Fire Station Consolidation Project. Since the passage of voter-approved initiatives has reduced revenues to the City and the District, the District

has undertaken planning for a new fire station in the Annexation Area, which would provide operational savings by replacing Stations 24 and 25, while providing acceptable response times to a larger portion of the District. The new station could be staffed by crews from Station 25 alone. The District developed plans for the fire station to be located on land to the west of the Finn Hill Junior High School buildings, which would be leased from Lake Washington School District ("Junior High Site"). When permit requirements unique to King County unduly increased the cost of a fire station at the Junior High Site, the District explored the feasibility of locating the fire station site on land within King County's Big Finn Hill Park at the southwest corner of Juanita Drive and Northeast 138th Place ("Park Site"). The District has determined that the fire station is technically feasible at the Park Site and has engaged in negotiations for an interlocal agreement with King County for the transfer of the Park Site in exchange for constructing and maintaining a parking lot on the Park Site to serve the park users. The District has developed a preliminary site plan and undertaken a community communication effort. The District has also updated cost estimates for a station at the Junior High Site to consider its permitting under the City's codes and current construction costs and explored locating a third site which is occupied by existing homes.

3. Issuance of Debt to Finance the Fire Station Consolidation Project. Prior to the Annexation Effective Date, the District will enter into agreements with and issue debt instruments to a financial institution of the District's choosing (the "Lender") to provide the District with approximately \$4 million in funding for the District's Fire Station Consolidation Project ("Debt Proceeds"). The Debt Proceeds shall be deposited into a fund or account designated the "Fire Station Consolidation Project Account" within the District's expense fund and shall be invested in the King County Investment Pool, pending their transfer to the City for expenditure in accordance with this Agreement. Interest earned on Debt Proceeds shall be used only for the purposes that the Debt Proceeds may be used.

4. Continuation of Projects. After Annexation, the City agrees to:

a. Fire Station Consolidation Project. Take all steps necessary to complete the Fire Station Consolidation Project, including but not limited to, making the final site selection for a new fire station, acquiring or leasing land, designing the fire station and related improvements, obtaining necessary permits, constructing the station and all related improvements, commissioning the station and decommissioning and selling Stations 24 and 25, all in accordance with Exhibit B.

b. Reserve Program Stipends. Continue providing stipends to reserve firefighters through calendar year 2011.

5. Additional Commitments of the City and District.

a. The City will maintain the administrative employee provided in the 2011 Joint Operating Budget, which has been filled by Tracy Fitzgerald, through the end of calendar year 2011. The City will create a posting of an employment opportunity, consistent with current city policies and union agreement. Provided she emerges as the successful candidate, she will continue her employment as an employee of the City at a monthly salary equivalent to an existing City classification that pays no less than her current monthly salary until the earlier of December 31, 2011 or her employment is terminated by her resignation, acceptance of a different position within the City or termination by the City for cause.

b. The City will undertake and complete a Strategic and Master Plan for the Kirkland Fire Department.

6. Transfer and Use of District Assets and District Property.

a. Transfer of District Real and Personal Property. On the Annexation Effective Date, the District will convey all District real and personal property to the City by warranty deed and bills of sale, respectively, including but not limited to the three fire stations ("District Property").

b. Transfer of Cash, Investments, Tax Receivables and other District Financial Assets. On the Annexation Effective Date, the District will transfer its cash and investments held in the District's expense fund, and any other cash assets accrued through that date, including all Debt Proceeds, tax receivables and interest earnings (collectively, "District Financial Assets") to the City and shall take any and all actions necessary or convenient for the City to be able to take possession of this property.

c. Application of District Financial Assets. The City shall apply the District Financial Assets in the following order to the following purposes:

(1) District Financial Assets other than Tax Receivables and Debt Proceeds. The City shall apply amounts other than Tax Receivables and Debt Proceeds to the following purposes without regard to priority among these purposes:

(A) Payment of stipends for reserve firefighters up to a total of \$60,000 in 2011, less amounts paid by the District before the Annexation Effective Date;

(B) Payment toward the cost of the Strategic and Master Plan in an amount not to exceed \$70,000; and

(C) Payment of salary, benefits, and payroll taxes for Tracy Fitzgerald, so long as she remains in the administrative position within the Fire Department, provided that such payments shall not continue beyond December 31, 2011.

(D) Any other obligations of the District.

(E) Any funds remaining after payment of expenses as provided in Subsections (A) through (D) above shall be applied to payment of the District's debt and costs of the Fire Station Consolidation Project.

(2) Fire Station Consolidation Project Costs. The City shall apply all Debt Proceeds and the District Financial Assets remaining after the payments under subparagraph (1)(E), above, to the costs of the Fire Station Consolidation Project, including but not limited to, the cost of site selection, planning, land acquisition, construction drawings, permit, inspections, site clearing and preparation, and cost of construction, and as otherwise set forth in Exhibit B. Debt Proceeds remaining after all costs of the Fire Station Construction Project have been paid shall be used only for capital purposes for fire stations located within the boundaries of the District, including the purchase of fire and emergency medical aid equipment.

(3) Tax Receivables and other amounts other than Debt Proceeds. The City shall be entitled to all receivables and future receipts from *ad valorem* property taxes levied and collected by or on behalf of the District (collectively, "Tax Receivables") within the boundaries of the District as those boundaries exist immediately prior to the Annexation Effective Date (the "District Boundaries"). All Tax Receivables except for amounts collected in 2011 for operating costs shall be applied first to the timely payment of all amounts due and payable with respect to the outstanding District debt. Excess Tax Receivables shall be used to prepay outstanding District debt, including principal, interest and any prepayment penalty and other costs of such prepayment. After the outstanding District debt is fully defeased or retired, Tax Receivables and any other amounts remaining after the purposes in subsection (1) are satisfied, shall be applied to the purchase of fire and emergency medical aid equipment for fire stations located within the District Boundaries, or for fire and emergency medical services provided within the District Boundaries.

d. Use and Disposition of District Property. After completion of the new station constructed pursuant to the Fire Station Consolidation Project, (except as provided in this paragraph) the City shall sell Stations 24 and 25 and

use the net proceeds from those sales to prepay principal of and interest on the District's Fire Station Consolidation Project debt within the terms of the debt conditions and as further set forth in Exhibit B. Notwithstanding the foregoing, the City may elect to retain ownership of fire station 24 or 25, rather than selling either or both, only if the City has the fair market value of the property determined by an MAI certified appraiser and uses other funds of the City to apply to the District's debt service in an amount equal to the fair market value of the station it retains, less estimated costs of sale. In the event that the proceeds of a sale or transfer from the City as described in this paragraph exceed the amount necessary to repay the then outstanding indebtedness for the Fire Station Consolidation Project, then the City agrees to use such sale proceeds or excess funds for the purchase of fire and emergency medical aid equipment for fire stations located within the District Boundaries or for additional fire and emergency medical services provided to residents within the District Boundaries.

7. District Tax Levy. The City shall cooperate with the County Treasurer, as *ex officio* Treasurer of the District and other appropriate County officials to take all such actions as may be necessary or desirable to ensure that the regular property tax levy necessary for repayment of the District's outstanding indebtedness in accordance with RCW 35A.14.500 and 35A.14.801(5) is levied and collected within the District Boundaries until such debt is retired, all as further set forth in Exhibit B.

8. Abandonment of Fire Station Consolidation Project. If the City determines the Fire Station Consolidation Project is not feasible or necessary, the City may abandon the project. In such event, it shall use all remaining Debt Proceeds and other District Financial Assets, as necessary, to retire the District's outstanding debt as soon as is practicable. The City shall use Debt Proceeds and any other District Financial Assets remaining after retirement of the debt to upgrade one or more stations within the District Boundaries or, if such upgrades are not needed, then to purchase fire and emergency medical aid equipment for such stations or provide other capital improvements within the District Boundaries.

9. Term. The term of this Agreement shall be from the date signed by both parties, and continue until all obligations have been met.

10. Compliance with Laws. The Parties shall comply with all applicable rules and regulations pertaining to them in connection with the matters covered herein. However, to the extent allowed by law, the Parties agree the provisions of this Agreement shall supersede such provisions.

11. Assignment. The Parties shall not assign this Agreement or any interest, obligation or duty therein without the express written consent of the other Parties.

12. Notices. All notices given prior to the Annexation Effective Date may be hand delivered or mailed. If mailed, they shall be sent to the following respective addresses:

To the City:

City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033
Attn: Kurt Triplett

To the District:

Ken Davidson, District Secretary
520 Kirkland Way
Suite 400
Kirkland, WA 98034

or to such other respective addresses as the Parties hereafter from time to time designate in writing. All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the third business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the day next following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

13. Miscellaneous.

a. All of the terms in this Agreement shall extend to and bind the legal successors and assigns of the Parties.

b. This Agreement is made and shall be construed in accordance with the laws of the State of Washington. Jurisdiction and venue for any action arising out of this Agreement shall be in King County, Washington.

c. No separate legal entity is hereby created.

d. Except as expressly provided herein, nothing in this Agreement shall be construed to permit anyone other than the Parties and their successors and assigns to rely upon the terms herein contained nor to give any such third party a cause of action on account of any nonperformance hereunder.

e. No joint oversight and administration board is created hereby.

f. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held to be invalid or unenforceable by a final decision of any court having jurisdiction on the matter, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect, unless either party determines that such invalidity or unenforceability materially interferes with or defeats the purposes hereof, at

which time the Parties shall substitute a provision that most closely approximates that which was invalidated without being invalid itself.

g. This Agreement constitutes the final and completely integrated agreement between the Parties on its subject matter.

h. No modifications or amendments of this Agreement shall be valid or effective unless evidenced by an agreement in writing signed by all Parties.

i. Copies of this Agreement shall be filed with the King County Auditor's Office by the City.

j. Each party has had the opportunity to consult with counsel in connection with this Agreement. Each of the provisions of this Agreement represents the combined work product of all Parties. Therefore, no presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same will apply in connection with the construction or interpretation of any of the provisions of this Agreement.

k. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the dates set forth below.

CITY OF KIRKLAND

KING COUNTY FIRE PROTECTION
DISTRICT NO. 41

By: _____
Kurt Triplett, City Manager

By: _____
James Lloyd, Chair, King County Fire
Protection District No. 41 Commission

Date signed: _____

Date signed: _____

Approved as to form:

Approved as to form:

City Attorney

District Counsel

Exhibit A

Description of Annexation Area Boundaries for Juanita-Finn Hill-Kingsgate Annexation and Wild Glen Annexation Areas:

Legal Description

BOUNDARIES OF THE JUANITA-FINN HILL-KINGSGATE ANNEXATION AREA

The legal description of the boundaries of the Juanita-Finn-Hill-Kingsgate Annexation Area,

That portion of Sections 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, 30 and 31 Township 26 North, Range 5 East W.M. and Sections 13, 23, 24, 25, 26 and 36 Township 26 North, Range 4 East W.M. in King County, Washington described as follows:

Beginning at North Quarter Corner of Section 28, Township 26 North, Range 5 East, W.M.;

Thence west along the north line of the Northwest Quarter of said Section 28 (said north line being the north limits of the City of Kirkland as established by City of Kirkland Ordinance No. 2252 and the centerline of NE 132nd Street) to the corner common to Sections 28 and 29, Township 26 North, Range 5 East, W.M.;

Thence west along the north line of the Northeast Quarter of said Section 29 (said north line being the north limits of the City of Kirkland as established by City of Kirkland Ordinance No. 2252 and the centerline of NE 132nd Street) to the centerline of 116th Avenue NE right of way;

Thence southerly along the centerline of 116th Avenue NE right of way to the easterly extension of the south margin of the NE 132nd Street right of way;

Thence westerly along said south margin and the south margin of the NE 131st Way right of way (said south margins being the north limits of the City of Kirkland as established by City of Kirkland Ordinance No. 3062) to the west line of east half of Section 30, Township 26 North, Range 5 East, W.M.;

Thence south along said west line (said west line being the west limits of the City of Kirkland as established by City of Kirkland Ordinance No.

3062) to the north line of the southeast quarter of the northwest quarter of said Section 30;

Thence west along said north line (said north line being the north boundary of a tract of land annexed to the City of Kirkland under City of Kirkland Ordinance No. 4048) to the west line of east 275 feet of said southeast quarter of the northwest quarter;

Thence south along said west line (said west line being the west boundary of a tract of land annexed to the City of Kirkland under City of Kirkland Ordinance No. 4048) to south line of said southeast quarter of the northwest quarter;

Thence along said south line to the east margin and/or the northerly extension of the east margin of 91st Avenue NE (said east margin being the west boundary of a tract of land annexed to the City of Kirkland under City of Kirkland Ordinance Number 3121);

Thence south along said east margin and/or its northerly extension (said east margin being the west boundary of a tract of land annexed to the City of Kirkland under City of Kirkland Ordinance Number 3121) to the south margin of NE 120th Street;

Thence east along the south margin of NE 120th Street and/or its easterly extension to the west limits of the City of Kirkland as established by King County Ordinance No. 15471;

Thence south along said west limits to the southerly margin of Juanita Drive NE right of way;

Thence along said southerly margin to the west line of Juanita Bay Condominiums (said line being the west limits of the City of Kirkland as established by City of Kirkland Ordinance No. 3062);

Thence southerly and southeasterly along the said west line and its southerly extension (said line being the west limits of the City of Kirkland as established by City of Kirkland Ordinance No. 3062) to the outer limits of the second class shorelands of Lake Washington;

Thence leaving said city limits, southwesterly and northwesterly along said outer limits to North line of King County Short Plat Number 985037 (Alteration), recorded under Recording Number 911180963, records of King County, Washington and the limits of the City of Kenmore as established by King County Ordinance No. 12815;

Thence along said limits of the City of Kenmore the following courses:

Thence easterly along the North line of said King County Short Plat and the North line of Lot 2, King County Short Plat Number 273020, recorded under Recording Number 7601230425 records of King County, Washington to the west margin of 62nd Avenue Northeast;

Thence southerly along said margin to the north line of the Southeast Quarter of Section 23, Township 26 North, Range 4 East, W.M.;

Thence easterly along said north line to the east margin of 62nd Avenue Northeast;

Thence southerly along the east margin of 62nd Avenue Northeast to the point of intersection with the north line of King County Short Plat Number 376072, recorded under Recording Number 7607290790, records of King County, Washington;

Thence easterly along the north line of said King County Short Plat and the north line of King County Short Plat Number 682031, recorded under Recording Number 8404240701 and King County Short Plat Number S89S0226, recorded under Recording Number 8908311935. all in records of King County, Washington, to the westerly margin of Holmes Point Drive Northeast;

Thence northerly and easterly along said margin to the westerly margin of Juanita Drive Northeast;

Thence northerly along the westerly margin of said Juanita Drive Northeast to the point of intersection with the westerly extension of the north margin of Northeast 143rd Street;

Thence easterly along said extended line and the north margin at Northeast 143rd Street and the north margin of Northeast 145th Street to the intersection with the Westerly margin of 92nd Avenue Northeast;

Thence northerly along said margin to the intersection with the northeasterly margin of Simonds Road Northeast, said margin also being the limits of the City of Bothell as established by City of Bothell Ordinances 225, 227 and 960;

Thence southeasterly along the southerly limits of the City of Bothell and the northeasterly margin of Simonds Road Northeast to the west margin of 100th Avenue NE;

Thence north along said west margin to the north line of Section 19, Township 26 North, Range 5 East, W.M. and the south limits of the City of Bothell as established by City of Bothell Ordinance Number 225;

Thence east along said north line and the south limits of the City of Bothell to the Northeast Corner of said Section 19;

Thence east along the north line of Section 20, Township 26 North, Range 5 East, W.M. and the south limits of the City of Bothell as established by City of Bothell Ordinance Number 1220 to the southerly prolongation of the east margin of 100th Avenue NE and the easterly limits of the City of Bothell as established by City of Bothell Ordinance Number 1220;

Thence north along said southerly prolongation and easterly limits of Bothell to the north margin of NE 145th Street;

Thence leaving said city limits, east along said north margin to the southerly prolongation of the west line of the plat of Norway View according to the plat thereof recorded in Volume 125 of Plats at Pages 77 and 78, records of King County, Washington:

Thence north along said southerly prolongation to the north margin of NE 145th Street;

Thence east along said north margin and its easterly extension to the southeasterly margin of Juanita-Woodinville Way NE;

Thence southerly along said southeasterly margin to the north margin of NE 145th Street;

Thence east along said north margin to the east line of the plat of Windsor Vista No. 1 according to the plat thereof recorded in Volume 81 of Plats, at pages 70 and 71, records of King County, Washington;

Thence southerly along the southerly prolongation of said east line to the south line of Section 17, Township 26 North, Range 5 East, W.M.;

Thence east along said south line to the easterly margin of Primary State Highway No. 1 (SR-405) as depicted on the Record of Survey recording in Book 182 of Surveys, at Pages 251 through 259, records of King County, Washington:

Thence north along said easterly margin to the south line of a tract land conveyed to King County by the State of Washington by

instrument recorded under 8603110513, records of King County, Washington;

Thence east along the south line of said tract to the east line of said tract;

Thence north along the east line of said tract to the southwesterly margin of the City of Seattle Tolt River Pipeline Right of Way:

Thence southeasterly along southwesterly margin to the west margin of NE 124th Avenue NE and west limits of the City of Woodinville as established by King County Ordinance No. 10306;

Thence along said limits of the City of Woodinville the following courses:

Thence south along said west margin to the intersection of the westerly extension of the south boundary of Kingsgate Highlands, Division No. 5, recorded in Volume 88 of Plats, Pages 1 to 5, Records of King County, Washington;

Thence east along said westerly extension and said south boundary to the southeast corner of said plat of Kingsgate Highlands Division 5;

Thence north along the east boundary thereof to the southwest corner of the plat of Kingsgate Vista, recorded in Volume 107 of Plats, pages 52 and 53, records of King County, Washington;

Thence east along the south boundary of said plat of Kingsgate Vista and its easterly projection to the West margin of 132nd Ave NE;

Thence southerly along said west margin of 132nd Avenue NE to the westerly extension of the south margin of NE 143rd street;

Thence easterly along said westerly extension and south margin thereof to the west line of the Puget Sound Power and Light Co. transmission line easement as located in the NW 1/4 of the NW 1/4 of Section 22, Township 26 North, Range 5 East W.M.;

Thence south along said west line to the south line of the NW 1/4 of Section 22, Township 26, North Range 5 East W.M.;

Thence easterly along said south line to the NW corner of the NE 1/4 of the NE 1/4 of the SW 1/4 of said Section 22;

Thence south to the SW corner of the NE 1/4 of the NE 1/4 of the SW 1/4 of said Section 22;

Thence east along the south line thereof to the North-South centerline of Section 22;

Thence north along said North-South centerline to the center of said Section 22;

Thence west along the East-West centerline thereof 310 feet, more or less, to the SW corner of Tax Lot No. 108 in the SE ¼ of the NW ¼ of said Section 22;

Thence N 7° 10' 00" W along the west line of said Tax Lot 108, 380 feet, more or less, to the NW corner thereof;

Thence N 77° 15' 00" E along the northerly line of said Tax Lot 108 to the westerly margin of the Burlington Northern Railway right-of-way (also known as Northern Pacific Belt Line);

Thence southerly along said westerly margin to the south line of the NE ¼ of said Section 22;

Thence east along the south line of the NE ¼ of said Section 22 to the easterly margin of the Burlington Northern Railway right-of-way, (also known as Northern Pacific, Snoqualmie Branch) and an angle point in the limits of the City of Woodinville;

Thence leaving said limits of the City of Woodinville and continuing along the south line of NE ¼ of said Section 22 to the easterly margin of the Burlington Northern Railway right-of-way, (also known as Northern Pacific, Snoqualmie Branch)

Thence south along said easterly margin to the south margin of NE 124th Street;

Thence westerly to the northeast corner of a tract of land annexed to the City of Redmond by City of Redmond Ordinance Number 1030;

Thence west along the north line of the tracts of land annexed to the City of Redmond by City of Redmond Ordinance Numbers 1030 and 966 to the west line of the east ¾ of the Northwest ¼ of the Southwest ¼ of Section 27, Township 26 North, Range 5 East, W.M.

Thence south along said west line and the west line of a tract of land annexed to the City of Redmond by City of Redmond Ordinance Number 966 to the south line of the said Northwest ¼ and the north line of a tract of land annexed to the City of Redmond by City of Redmond Ordinance Number 778;

Thence west along said south line and said limits of the City of Redmond to the easterly margin of Seattle Water Department Eastside Supply Line right-of-way and the limits of the City of Kirkland as established by City of Kirkland Ordinance Number 3063:

Thence north along said easterly margin and said limits of the City of Kirkland to the south margin of NE 124th Street:

Thence westerly along said right of way and said limits of the City of Kirkland to the northerly tangent point of the southerly margin of said right-of-way with the westerly margin of the Slater Avenue NE right of way;

Thence northwesterly perpendicular to the centerline of NE 124th Street right-of-way to the southerly line of a tract of land annexed to the City of Kirkland by City of Kirkland Ordinance No. 2545:

Thence northeasterly along said southerly line to the southeast corner of said tract of land;

Thence northerly along east line of said tract of land to the northeast corner thereof;

Thence west along said north line of said tract of land to the west line of the northeast quarter of the northeast quarter of Section 28, Township 26 North, Range 5, W.M. and the limits of the City of Kirkland as established by City of Kirkland Ordinance Number 2252;

Thence north along said west line and said limits of the City of Kirkland to the north line of said Section 28:

Thence west along said north line (said north line being the north limits of the City of Kirkland as established by City of Kirkland Ordinance No. 2252 and the centerline of NE 132nd Street) to the Point of Beginning.

BOUNDARIES OF THE WILD GLEN ANNEXATION AREA

Legal Description

That portion of Section 19, Township 26 North, Range 5 East W.M. in King County, Washington described as follows:

Beginning at the northwest corner of the Northeast Quarter of the Northeast Quarter of said Section 19; Thence east along the north lien of said Section 19 and the south limits of the City of Bothell as

established by City of Bothell Ordinance Number 225 to the west margin of 100th Avenue NE; Thence south along the west margin of 100th Avenue NE to the northerly margin of Simonds Road Northeast; Thence northwesterly along the northerly margin of Simonds Road Northeast to the west line of said Northeast Quarter of the Northeast Quarter of Section 19 and the limits of the City of Bothell as established by City of Bothell Ordinance Number 960; Thence north along said west line to the Point of Beginning.

Exhibit B

**Procedures Relating to the
Bonded Indebtedness of the District**

Capitalized terms not defined in this Exhibit B have the meanings given in the Interlocal Agreement and in Resolution No. __ of the District.

1. Issuance of Bond; Terms

a. On or before May 31, 2011, the District shall issue, sell and deliver the Bond to the Lender under substantially the terms set forth in the offer letter dated May __, 2011.

2. Collection of Taxes; Repayment of Bond

a. From and after the Annexation Date, City Council, acting on behalf of the District, shall consult with the County Treasurer, as *ex officio* Treasurer of the District and shall certify to the County Assessor, the amount necessary, in accordance with RCW 35A.14.500 and 35A.14.801(5), to make timely payments of the principal of and interest on the bonded indebtedness coming due and payable in the next calendar year, including a reasonable allowance for delinquencies and nonpayments ("Annual Debt Service Requirements"). The Annual Debt Service Requirements shall take into account a reasonable expectation of delinquencies and nonpayments and shall be the regular levy amount required for that calendar year.

b. Upon receipt of certification of the Annual Debt Service Requirements, the County Assessor shall spread the levy on the rolls of the taxable property within the District as the District's boundaries existed on the date of issuance of the Bond.

c. The County Treasurer shall act as Bond Registrar and Paying Agent and shall collect all taxes levied and apply such receipts to the timely payment of the Annual Debt Service Requirements to the Lender.

d. From time to time (e.g., upon the sale of Fire Station 24 or 25), the City may transfer additional amounts to the County Treasurer, which amounts shall be applied to the prepayment of principal of, interest on, or redemption premium with respect to the Bond. Upon any prepayment of principal of the Bond, the Annual Debt Service Requirements shall be recalculated, in accordance with the terms of the Bond and the Authorizing Resolution.

3. Deposit and Use of Debt Proceeds

a. Upon issuance of the Bond, proceeds of the sale of the Bond shall be applied to pay the costs of issuance and all remaining proceeds shall be deposited with the County and transferred to the City on the Annexation Effective Date.

b. The City Finance Director shall direct the timing and amounts of all expenditure of bond proceeds to pay the costs of the Fire Station Consolidation Project and as otherwise set forth in the Interlocal Agreement.

c. Interest earned on proceeds invested pending their expenditure shall be used to pay costs of the Fire Station Consolidation Project, to pay debt service on the Bond or, if necessary, to make any required arbitrage rebate or yield reduction payments to the United States Treasury with respect to the Bond.

d. The City Finance Director shall, with the cooperation of the County Treasurer, ensure that any arbitrage rebate calculations that may be required (if any) under applicable provisions of the Internal Revenue Code and related regulations are completed in a timely fashion and that any amounts owing on account of rebate payments or yield reduction payments are paid out of bond proceeds or interest earnings thereon.

4. Prepayment of Bond. Whenever the City realizes proceeds from the sale of Fire Stations 24 or 25, the City shall apply those net proceeds, or cause the same to be applied, to prepayment of the Bond, including principal, interest, and any prepayment or redemption premium with respect thereto.

5. Reporting to City. The County Treasurer shall provide to the City Finance Director monthly financial reports and, within 60 days of the end of the calendar year, an annual financial report of District, and such other financial information as the City may request.

Resolution R-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RELATING TO THE ACCOMPLISHMENT OF THE GOALS OF THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF KIRKLAND AND KING COUNTY FIRE PROTECTION DISTRICT #41 TO INCREASE THE LEVEL OF SERVICE TO THE FORMER FIRE DISTRICT TERRITORY.

1 WHEREAS, the City of Kirkland (the “City”) and King County Fire
2 Protection District #41 (the “District”) entered into an Interlocal Agreement
3 dated as of May 24, 2011 (the “Interlocal Agreement”), describing the intent
4 of the City and the District to ensure that certain funds being provided by
5 the District to the City would be used to enhance levels of fire service and
6 emergency medical response to the former District territory; and
7

8 WHEREAS, the District provided \$5.2 million to the City, consisting
9 of approximately \$1.2 million of cash reserves and \$4 million of bond
10 proceeds, with which to enhance levels of fire service and emergency
11 medical response to the former District territory, and in particular to the Finn
12 Hill neighborhood, by undertaking the Fire Station Consolidation Project;
13 and
14

15 WHEREAS, at the time the Interlocal Agreement was entered into,
16 the Fire Station Consolidation Project contemplated the use of the District’s
17 contribution to construct a new fire station potentially located on public land,
18 the consolidation of service previously provided by Fire Stations 24 and 25,
19 the resale of the properties vacated after the consolidation of those
20 stations, and the contribution of sale proceeds to pay down debt service
21 principal; and
22

23 WHEREAS, the Interlocal Agreement describes two possible
24 publicly-owned sites that were under consideration at the time for the
25 construction of the new station to replace Fire Stations 24 and 25, and
26 assigns responsibility for the final site selection to the City after further
27 investigation; and
28

29 WHEREAS, on June 1, 2011 (the “Annexation Effective Date”), the
30 entire territory of the District was annexed into the City and the City became
31 the successor to the District, assuming all assets, liabilities and
32 responsibilities of the District in accordance with state law and the Interlocal
33 Agreement; and
34

35 WHEREAS, since 2011, the City continued the siting process for a
36 consolidated Finn Hill fire station and, through that process, determined
37 that none of the previously-identified publicly owned sites were ideally
38 suited and/or available for the purposes of constructing a consolidated fire
39 station; and
40

41 WHEREAS, the Interlocal Agreement also provided that the District
42 would provide funding for a Strategic and Master Plan for the Kirkland Fire

43 Department, which the City completed in September 2012, the results of
44 which included a recommendation that the City undertake development of
45 a Standard of Coverage and Deployment Plan; and
46

47 WHEREAS, the City temporarily suspended the siting process
48 while the City completed a Standard of Coverage and Deployment Plan
49 and adopt new standards for levels of service throughout the City, including
50 the former District territory; and
51

52 WHEREAS, the efforts to adopt a new Standard of Coverage and
53 Deployment Plan identified a new “dual station” option, involving renovating
54 Station 25 and constructing and staffing a new Station 24, operating the
55 two together as a “dual station” model; and
56

57 WHEREAS, the City subsequently restarted the station siting
58 process, including evaluation of both the consolidated “single station” and
59 “dual station” options; and
60

61 WHEREAS, in connection with this evaluation, it has become
62 apparent that the cost of either a consolidated single station option or a
63 dual station option, located on any of the sites that had been previously
64 identified, is likely to be between \$7.5 million and \$11.9 million, which is
65 significantly more than the \$5.2 million provided by the District; and
66

67 WHEREAS, in light of the new Coverage and Deployment Plan, the
68 City has determined that the dual station option is the most effective way
69 to provide improved response times to the residents formerly served by
70 Fire District #41, that the dual station option is the most cost-effective
71 alternative to increase the levels of service to the Finn Hill neighborhood;
72 and
73

74 WHEREAS, because the dual station option was not contemplated
75 at the time that the Interlocal Agreement was entered into, the City
76 determined that it would be appropriate to seek the input of the former
77 District Commissioners and of the residents of the Finn Hill neighborhood,
78 who are most affected by the selection of a new option that was not
79 previously contemplated; and
80

81 WHEREAS, to this end, the City Council held a public hearing on
82 October 6, 2015, in order to ensure that the current residents of the former
83 District have an opportunity to provide input into the use of the District funds
84 that were provided to the City to increase the levels of service to their
85 neighborhood; and
86

87 WHEREAS, the City also conducted outreach to the former District
88 Commissioners and publicly posted information about the public hearing
89 on its website, listservs and other means of public communication; and
90

91 WHEREAS, the Deputy City Manager has contacted each of the
92 former Commissioners (Rich Krogh, Jim Lloyd and Toby Nixon) to seek

93 their input on behalf of the current residents of the former District and
94 invited each to attend a public hearing on the topic; and
95

96 WHEREAS, the Deputy City Manager received written responses
97 from two former Commissioners (Rich Krogh and Jim Lloyd), declining to
98 participate and voicing no objection to the proposal, and the third former
99 Commissioner (Toby Nixon) is now a member of the City Council and will
100 participate in the public hearing in that capacity; and
101

102 NOW, THEREFORE, be it resolved by the City Council of the City
103 of Kirkland as follows:
104

105 Section 1. In light of the facts and circumstances recited in this
106 resolution and after due consideration upon public hearing and an
107 opportunity for comment, the City Council finds that:
108

109 1. The goals of the Interlocal Agreement cannot reasonably
110 and cost-effectively be accomplished by undertaking the Fire
111 Station Consolidation Project as described in the Interlocal
112 Agreement.
113

114 2. To continue to attempt to consolidate the two stations in
115 a new location would frustrate the purpose of increasing service
116 levels in the near-term and within the budget provided by the
117 District, and such attempt would not be in the public interest.
118

119 3. The most cost-effective option that will increase service
120 and response times the most quickly and effectively is the dual
121 station option, including the use of the District's funds (1) to
122 renovate existing Station 25, and (2) to acquire land to construct a
123 new station at some time in the future that will replace Station 24.
124

125 4. The use of the District's funds for these purposes is the
126 most reasonable and cost-effective way to accomplish the goals of
127 the Interlocal Agreement.
128

129 5. Because ownership of the two properties is being
130 retained by the City solely to accomplish the goals of the Interlocal
131 Agreement, the provisions of the Interlocal Agreement (specifically
132 Section 6(d), which purports to require the sale of both properties
133 or to permit the City to retain only upon payment of the fair market
134 value of the property) are not applicable. Those provisions are
135 interpreted to apply only if the City retains either or both property for
136 a City use other than increasing levels of fire service and
137 emergency medical response within the former District.
138

139 6. Consistent with the Interlocal Agreement, upon
140 completion of construction of a new station to replace Station 24
141 and sale of the existing Station 24 property, the City will contribute
142 the proceeds of any such sale toward the costs of constructing that

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new station or to other allowable costs under the Interlocal Agreement.

7. Upon the completion of renovations to Fire Station 25 and the purchase of property intended for the construction of a new fire station in the former District territory, the Fire Station Consolidation Project will be deemed to have been completed and the goals of and obligations under the Interlocal Agreement with respect to that project shall be deemed satisfied.

Section 2. In light of the foregoing, the City is authorized to proceed to spend the amounts provided by the District to the City for the Fire Station Consolidation Project by pursuing the most cost-effective alternative for increasing service within the Finn Hill neighborhood, including retaining notwithstanding the provisions in the Interlocal Agreement requiring the sale of the existing fire station sites.

Passed by majority vote of the Kirkland City Council in open meeting this __ day of ____, 2015.

Signed in authentication thereof this __ day of _____, 2015.

MAYOR

Attest:

City Clerk



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Kathy Brown, Public Works Director
Date: September 3, 2015
Subject: RESOLUTION REGARDING CAR CHARGING STATIONS

RECOMMENDATION:

Staff recommends that the City Council approves a resolution that would allow any member of the general public, including downtown employees or business owners, to use car charging stations owned by the City of Kirkland. The resolution establishes the policy that electric vehicle charging stations are a specific and limited service provided by the City, such as loading zone, rather than a parking space.

BACKGROUND DISCUSSION:

The proposed Resolution would resolve a situation in which two City policies have inadvertently come into conflict:

- Policy G-11 of the Public Works Pre-Approved Plans provides for reserved parking for employees working in downtown Kirkland, and prohibits individuals holding downtown employee parking permits from parking outside of designated areas.
- Chapter V of the City of Kirkland's Comprehensive Plan includes Goal NE-5 to improve air quality and reduce Kirkland's greenhouse gas emissions. Fossil fuel automobile emissions are one of the largest sources of greenhouse gases.

To help meet the air quality and emissions goals of the City by encouraging the use of electric vehicles, the City installed, owns, and operates electric vehicle charging stations at various locations in the City's downtown area for use by the general public. These stations were installed in late 2011 using grant funding designed to increase electric vehicle use. In total, there are currently five City-owned electric charging stations:

- Two stations are located in the Library Garage, outside the downtown employee permit area.
- Two stations are located in the Marina Park parking lot where downtown employee parking is prohibited.
- A single station is in front of City Hall and its primary purpose is to serve those using City Hall during business hours of 8am to 5pm.

Only electric vehicles are allowed to use these stalls and each of these charging stations happen to be located in parking lots where downtown employee parking is restricted in some way.

The policy conflict was brought to the City's attention by a downtown business owner who had recently purchased an electric car. While charging at one of the stations in the Marina Park lot the owner received a parking ticket since downtown employees are not allowed to park in the Marina Park parking lot. The owner met with both the Public Works Director and the City Manager and highlighted that the existing charging stations are not currently fully utilized, and

that City Hall is the only public charging option for a downtown employee. This is counter to the goal of encouraging electric vehicle use but is consistent with downtown parking policies.

In response, staff is recommending that the City change the way charging stations and stalls are viewed. The stalls would be deemed to be charging stations, not electric vehicle parking spaces. Therefore the spaces would only be available to electric vehicles that are actively charging. Each vehicle charges at different speeds, so to avoid complexity for parking enforcement officers, the Resolution defines actively charging as being connected to the charging station. This does create the possibility that a car will be connected and not drawing power. However, electric vehicle users state that there is an understood protocol that cars will vacate charging stations when they are fully charged to allow others access to these limited number of stations. In addition, use of the charging stations would be limited to the time restrictions in each of the parking lots where the charging stations are located regardless of whether the vehicle is fully charged. Once an electric vehicle is charged or has reached the time limit, it must move or be ticketed. Electric vehicles owned by downtown employees or owners would still be prohibited from parking in any restricted spaces where the charging stations are located.

The current resolution does not require that electric charging station users have to pay for parking while charging at a station if the rest of the lot is a paid lot. The staff did not include this for two reasons. First, charging would run somewhat counter to the purpose of the resolution, which is to consider these stalls as charging stations and encourage electric vehicle use. Second, currently there is no paid parking required at the garage, City Hall, or at the Marina Park parking lot during the day. However, it has been contemplated that the Marina Park lot might be converted to all day paid parking at some point in the future. There may also come a time when the City wishes to charge in the parking garage or add a fee for the use of the charging stations. Therefore the Council may wish to amend the Resolution to require payment for using charging stations if the City charges for other parking in the same lot. This amendment could also be made at any point in the future that the Council chooses to add paid parking to certain lots.

By approving the proposed resolution, the City-owned charging stations would become available to all members of the public, including downtown employees. The proposal would have a minimal effect on downtown parking availability, and would maximize the use of the City's charging stations.

RESOLUTION R-5148

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND DECLARING ELECTRIC VEHICLE CHARGING STATIONS AND STALLS TO BE FOR THE PURPOSE OF CHARGING ELECTRIC VEHICLES RATHER THAN FOR USE AS PARKING SPACES AND TO ALLOW ANY MEMBER OF THE GENERAL PUBLIC, INCLUDING DOWNTOWN EMPLOYEES AND BUSINESS OWNERS, TO CHARGE ELECTRIC VEHICLES AT CHARGING STATIONS OWNED BY THE CITY OF KIRKLAND.

1 WHEREAS, the City Council has, in Policy G-11 of the Public
2 Works Pre-Approved Plans, identified parking reserved for employees
3 working in downtown Kirkland; and

4
5 WHEREAS, Chapter V of the City of Kirkland’s Comprehensive
6 Plan includes Goal NE-5 to improve air quality and reduce Kirkland’s
7 contribution to greenhouse gas emissions; and

8
9 WHEREAS, to further the City’s goal of improving air quality and
10 reducing emissions by encouraging the use of electric vehicles, the City
11 installed, owns, and operates electric vehicle charging stations at
12 various locations in the City’s downtown area for use by the general
13 public; and

14
15 WHEREAS, most of the current inventory of City-owned charging
16 stations are located in areas where downtown employee parking is
17 prohibited under Policy G-11; and

18
19 WHEREAS, only electric vehicles may use the stalls with charging
20 stations and the City-owned charging stations are currently
21 underutilized; and

22
23 WHEREAS, the City Council desires to increase charging station
24 utilization and resolve this policy conflict by determining that electric
25 vehicle charging stations and stalls are for the purpose of charging
26 electric vehicles, and are not public parking spaces.

27
28 NOW, THEREFORE, be it resolved by the City Council of the City
29 of Kirkland as follows:

30
31 Section 1. The City Manager is hereby authorized to designate
32 city-owned parking stalls with electric vehicle charging stations as Public
33 Vehicle Charging Stations rather than parking spaces.

34
35 Section 2. All members of the public, including downtown employees
36 and business owners, may use these charging stations while the
37 vehicles are connected to the station and actively charging, subject to
38 the parking time limit placed on all other stalls at the parking lots or
39 facilities that contain the charging stations.

40
41 Passed by majority vote of the Kirkland City Council in open
42 meeting this ____ day of _____, 2015.

43
44

Signed in authentication thereof this ____ day of _____,
2015.

MAYOR

Attest:

City Clerk



CITY OF KIRKLAND
Planning and Community Development Department
123 Fifth Avenue, Kirkland, WA 98033
425.587-3225 - www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Eric Shields AICP, Planning and Building Director
Date: August 28, 2015
Subject: Ratification of Countywide Planning Policies; File No.PLN13-00150

RECOMMENDATION

Adopt the attached resolution ratifying an amendment to the Countywide Planning Policies approved by Metropolitan King County Council Ordinance 18084.

BACKGROUND DISCUSSION

Proposed Policy On July 20, 2015, the Metropolitan King County Council adopted Ordinance 18084 approving an amendment to King County Countywide Planning Policies (CPPs) and ratifying the CPPs on behalf of unincorporated King County. The amendment adds a new policy, PF-19A, to the CPPs regarding the siting of new school facilities within the Urban Growth Area (UGA). In an effort to discourage the siting of new school facilities outside of the UGA (within rural and resource lands), the policy directs cities to work with school districts to understand the districts' enrollment projections and school facility expansion needs, to determine if there is sufficient capacity to support expected school growth and to consider strategies to address any capacity shortfall.

As established by Policy G-1 of the CPPs, amendments to the CPPs become effective if and when they are ratified by at least 30 percent of city and county governments representing at least 70 percent of the population of King County. A city will be counted as ratifying the amendments unless it formally disapproves them within 90 days of adoption – in this case by October 31, 2015.

Meeting with School District In an effort to jump-start the process described in policy PF-19A, the Planning Director recently met with the facilities director and legal counsel for the Lake Washington School District, along with the planning directors from the cities of Redmond and Sammamish and planners from King County, to hear from the District about its anticipated growth plans and to share information about development activity occurring within the cities and unincorporated areas within the District. District officials provided the following information about the needs of the District:

- The District is overcapacity in all areas, at all grade levels except for in the Juanita area.
- The District expects continued student growth, with 4,000 new students expected by 2020.
- The District's Long-Term Facilities Planning Task Force is currently reviewing siting needs and will make recommendations to the Board in the coming months.

- Based on current student enrollment figures, the District's capacity needs include a new comprehensive high school, three new elementary schools, a new middle school, and additional capacity at the elementary and high school level.
- The District recently secured a middle school site in the Redmond Ridge UPD.
- The District's property needs include the need to identify and secure elementary sites within the Redmond area and Kirkland area (ideally, downtown area).
- Considering creative solutions to address high school capacity as the District believes that there is no land available for a fifth comprehensive high school.

Attachments:

1. Letter to Mayor Walen
2. King County Signature Report Ordinance 18084

**King County**

RECEIVED

AUG 03 2015

AM _____ PM
PLANNING DEPARTMENT

BY _____

August 2, 2015

The Honorable Amy Walen
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033-6189

Dear Mayor Walen:

We are pleased to forward for your consideration and ratification the enclosed amendment to the King County Countywide Planning Policies (CPP).

On July 20, 2015, the Metropolitan King County Council approved and ratified the amendment on behalf of unincorporated King County. The ordinance will become effective Sunday, August 2, 2015. Copies of the transmittal letter, King County Council staff report, ordinance and Growth Management Planning Council motion are enclosed to assist you in your review of this amendment.

In accordance with the CPP, G-1, amendments become effective when ratified by ordinance or resolution by at least 30 percent of the city and county governments representing 70 percent of the population of King County according to the interlocal agreement. A city will be deemed to have ratified the CPP and amendments unless, within 90 days of adoption by King County, the city takes legislative action to disapprove the amendments. **Please note that the 90-day deadline for these amendments is Saturday, October 31, 2015.**

If you adopt any legislation concerning this action, please send a copy of the legislation by the close of business, Friday, October 30, 2015, to Anne Noris, Clerk of the Council, Room 1200, King County Courthouse, 516 Third Avenue, Seattle, WA 98104.

If you have any questions about the amendments or ratification process, please contact Karen Wolf, Senior Strategy and Performance Analyst, King County

Executive's Office, at 206 263-9649, or Christine Jensen, Metropolitan King County Council Staff, at 206 477-5702.

Thank you for your prompt attention to this matter.

Sincerely,



Larry Phillips, Chair
Metropolitan King County Council



Dow Constantine
King County Executive

Enclosures

cc: King County City Planning Directors
Sound Cities Association
Lauren Smith, Director, Regional Planning
Karen Wolf, Senior Strategy and Performance Analyst
Christine Jensen, Council Staff, Transportation, Environment and Economy
Committee (TREE)



KING COUNTY
Signature Report

ATTACHMENT 2
1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

July 21, 2015

Ordinance 18084

Proposed No. 2015-0231.1

Sponsors Dembowski

1 AN ORDINANCE adopting and ratifying Growth

2 Management Planning Council Motion 15-1.

3 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

4 **SECTION 1. Findings:**

5 A. Growth Management Planning Council Motion 15-1 recommends that a new
6 policy be added to the 2012 King County Countywide Planning Policies to outline a
7 process for school districts and jurisdictions to work together to identify future school
8 sites with the Urban Growth Area.

9 B. On April 22, 2015, the Growth Management Planning Council
10 overwhelmingly adopted Motion 15-1, which recommends the 2012 King County
11 Countywide Planning Policies be amended to add new text and a new policy, Policy 19A.

12 **SECTION 2:** The amendment to the 2012 King County Countywide Planning

13 Policies, as shown in Attachment A to this ordinance, is hereby adopted by King County
14 and ratified on behalf of the population of unincorporated King County.

15

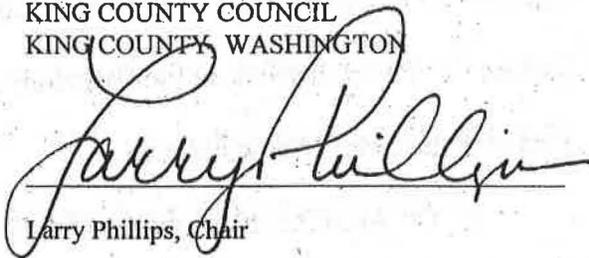
Ordinance 18084 was introduced on 6/22/2015 and passed by the Metropolitan King County Council on 7/20/2015, by the following vote:

Yes: 5 - Mr. Phillips, Mr. Gossett, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove

No: 4 - Mr. von Reichbauer, Ms. Hague, Ms. Lambert and Mr. Dunn

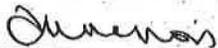
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 23 day of July, 2015.



Dow Constantine, County Executive

Attachments: A: GMPC Motion No. 15-1

12/17/14

ATTACHMENT A

Sponsored By: Executive Committee1
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38**GMPC MOTION NO. 15-1**

A MOTION amending the 2012 King County Countywide Planning Policies; outlining a process for jurisdictions working together to identify future school sites within the UGA.

WHEREAS the Growth Management Planning Council (GMPC) convened the School Siting Task Force in 2011 to address the issue of whether public school serving primarily urban populations should be sited in rural areas and whether such facilities should be served by sewers; and

WHEREAS, the Task Force completed their work on March 31, 2012, issuing a report and final recommendations to the King County Executive; and

WHEREAS, as a result of the work of the Task Force, two new policies were added to the 2012 King County Countywide Planning Policies (CPPs) – PF-18 and PF-19; and

WHEREAS, the 2013 GMPC work program included an item to implement the remainder of the Task Force recommendations, including: *“The Growth Management Planning Council (GMPC) should identify policies and adopt a work program that commits jurisdictions to working together to identify future school sites within the UGA. These policies shall direct jurisdictions to use zoning and other land use tools to ensure a sufficient supply of land for siting schools”*; and

WHEREAS, at the May 21, 2014 GMPC meeting, staff proposed a policy to directly respond to the Task Force’s direction. GMPC members reviewed the draft policy and identified the need to more fully address the issues of breadth, coordination between jurisdictions and public school districts, and the workload impacts to the respective jurisdictions and school districts. GMPC members also wanted to ensure that the proposed policy fully addressed the planning needs of the jurisdictions/school districts while being sensitive to the impact of siting parameters and land use regulations on curriculum needs; and

WHEREAS, to implement Task Force recommendation and address issues raised at the May 21, 2014 GMPC meeting, a new policy, PF-19A is being proposed.

39 NOW THEREFORE BE IT RESOLVED that the Growth Management Planning
40 Council of King County hereby recommends that the 2012 King County Countywide
41 Planning Policies be amended to add new policy PF-19A with preceding text, as follows:
42

43 Public school facilities to meet the needs of growing communities are an essential part
44 of the public infrastructure. Coordination between each jurisdiction's land use plan and
45 regulations and their respective school district[s] facility needs are essential for public
46 school capacity needs to be met. The following policy applies countywide and requires
47 engagement between each school district and each city that is served by the school
48 district. The policy also applies to King County as a jurisdiction for areas of
49 unincorporated King County that are within a school district's service boundary. The
50 policy initiates a periodic procedure to identify if there are individual school district
51 siting issues and if so, a process for the school district and jurisdiction to cooperatively
52 prepare strategies for resolving the issue.
53

54 PF-19A Plan, through a cooperative process between jurisdictions and school
55 districts, that public school facilities are available, to meet the needs of existing and
56 projected residential development consistent with adopted comprehensive plan
57 policies and growth forecasts.

58 Cooperatively work with each school district located within the jurisdiction's
59 boundaries to evaluate the school district's ability to site school facilities
60 necessary to meet the school district's identified student capacity needs. Use
61 school district capacity and enrollment data and the growth forecasts and
62 development data of each jurisdiction located within the school district's
63 service boundaries. By January 2016 and every two years thereafter, determine
64 if there is development capacity and the supporting infrastructure to site the
65 needed school facilities. If not, cooperatively prepare a strategy to address the
66 capacity shortfall. Potential strategies may include:

- 67 • Shared public facilities such as play fields, parking areas and access
- 68 drives
- 69 • School acquisition or lease of appropriate public lands
- 70 • Regulatory changes such as allowing schools to locate in additional
- 71 zones or revised development standards
- 72 • School design standards that reduce land requirements (such as multi-
- 73 story structures or reduced footprint) while still meeting programmatic
- 74 needs

75 In 2017, and every two years thereafter, King County shall report to the GMPC
76 on whether the goals of this policy are being met. The GMPC shall identify
77 corrective actions as necessary to implement this policy.
78
79

80
81
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83

Dow Constantine, Chair, Growth Management Planning Council



King County

Dow Constantine
King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818
206-263-9600 Fax 206-296-0194
TTY Relay: 711
www.kingcounty.gov

RECEIVED
2015 JUN 10 PM 3:49
CLERK
KING COUNTY COUNCIL
18084
2015-231

June 3, 2015

The Honorable Larry Phillips
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Phillips:

This letter transmits an ordinance that will enable King County to amend the King County Countywide Planning Policies (CPPs) to establish a plan for coordination between school districts and the jurisdictions within their boundaries, as recommended by the Growth Management Planning Council (GMPC).

This ordinance transmits GMPC Motion 15-1 that was overwhelmingly approved by the GMPC on April 22, 2015. The ordinance adopts and ratifies the GMPC motion on behalf of unincorporated King County.

Motion 15-1 adds a new policy to the CPPs that is a direct response to a recommendation of the School Siting Task Force Report, which is included as an appendix to the CPPs. The new policy states that public schools are an essential and integral part of public infrastructure that is needed to achieve successful growth management plans by all jurisdictions in King County. Further, this new policy sets up a plan to facilitate collaboration between the jurisdictions and the school districts, establishes guidelines for assessing school district capacity needs, and identifies strategies for resolving capacity issues should they be identified.

This ordinance integrates the goals of the King County Strategic Plan by recognizing the role of land use planning in shaping environmentally sustainable and economically viable future for all people in King County. The County's role in the GMPC fosters the ethic of working together for "One King County" by actively participating in regional organizations and defining King County's role in regional issues.

There are no fiscal impacts to King County government as a result of adoption of this ordinance.

The Honorable Larry Phillips
June 3, 2015
Page 2

If you have any questions, please contact Lauren Smith, Deputy Director for Regional Planning, Office of Performance, Strategy and Budget, at 206-263-9606.

Sincerely,



Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Carolyn Busch, Chief of Staff
 Anne Noris, Clerk of the Council
Carrie S. Cihak, Chief of Policy Development, King County Executive Office
Dwight Dively, Director, Office of Performance, Strategy and Budget (PSB)
Lauren Smith, Deputy Director, Regional Planning, PSB



King County

Metropolitan King County Council Transportation, Economy and Environment Committee

STAFF REPORT

Agenda Item:	10	Name:	Christine Jensen
Proposed No.:	2015-0231	Date:	July 7, 2015

SUBJECT

A proposed ordinance adopting and ratifying Growth Management Planning Council Motion 15-1, which recommends adding a new Countywide Planning Policy regarding planning for school facilities in King County.

SUMMARY

Proposed Ordinance 2015-0231 would amend the King County Countywide Planning Policies (CPPs) to state that public school facilities are essential in meeting the needs of growing communities and that it is important to coordinate on land use and facility planning. A new CPP would also be added, PF-19A, which would require collaborative planning between school districts and local jurisdictions regarding school facility needs. This process would include consideration of cooperative strategies to address any facility capacity and siting shortfalls. The policy would also require periodic review of whether the goals of the policy are being met, and calls for corrective actions should they be necessary.

If adopted, all local jurisdictions, including King County, would be required to collaborate on land use and facility planning with the school district(s) within its boundaries. The County would also be required to report back to the Growth Management Planning Council (GMPC) on behalf of the school districts and local jurisdictions on the effectiveness of the cooperative process in meeting the policy goals. According to Executive staff, this coordinated planning and reporting would be achieved within existing County resources.

BACKGROUND

The GMPC is a formal body comprised of elected officials from King County, Seattle, Bellevue, other cities and towns in King County, and special purpose districts. The GMPC was created in 1992 by interlocal agreement¹ in response to a provision in the Washington State Growth Management Act (GMA) requiring cities and counties to work together to adopt CPPs.² Under the GMA, the CPPs serve as the framework for each

¹ Motion 8733

² RCW 36.70A.210

local jurisdiction's comprehensive plan, which ensures countywide consistency with respect to land use planning efforts.

As provided for in the interlocal agreement, the GMPC developed and recommended the original CPPs, which were adopted by the King County Council³ and ratified by the cities in 1992. Subsequent amendments to the CPPs follow the same adoption process, which is now outlined in CPP G-1⁴ and includes: recommendation by the GMPC, adoption by the King County Council, and ratification by the cities. Amendments to the CPPs become effective when ratified by ordinance or resolution by at least 30 percent of the city and county governments representing at least 70 percent of the population of King County. A city shall be deemed to have ratified an amendment to the CPPs unless the city disapproves it by legislative action within 90 days of adoption by King County.

ANALYSIS

GMPC Motion 15-1

Proposed Ordinance 2015-0231 would adopt and ratify GMPC Motion 15-1, which recommends adding a new CPP regarding planning for school facilities in King County. If adopted, the CPPs would be amended to state that public school facilities are essential in meeting the needs of growing communities and that it is important to coordinate on land use and facility planning. A new policy would also be added, PF-19A, which would require collaborative planning between school districts and local jurisdictions regarding school facility needs. This process would include consideration of cooperative strategies⁵ to address any facility capacity and siting shortfalls. The policy would also require periodic review of whether the goals of the policy are being met, and calls for corrective actions should they be necessary.

PF-19A is intended to facilitate implementation of school siting CPPs that were adopted in 2012,⁶ which were created as a result of recommendations from the GMPC's School Siting Task Force.⁷ These 2012 policies, PF-18 and PF-19, prohibit schools serving primarily urban populations from being located in the rural area and generally require schools serving rural populations to be located in neighboring cities and rural towns.⁸ The coordination called for in PF-19A was also a recommendation from the Task Force, and its proposed language was drafted in collaboration with representatives from the school districts, cities, and county.

³ Ordinance 10450

⁴ 2012 King County Countywide Planning Policies, as amended:

<http://www.kingcounty.gov/property/permits/codes/growth/GMPC/CPPs.aspx>

⁵ Including: shared public facilities, school acquisition/lease of public lands, regulatory or development standard changes, design changes.

⁶ Ordinance 17486

⁷ Created by the GMPC in 2011 to address the issue of whether public schools serving primarily urban populations should be sited in rural areas and whether such facilities should be served by sewers.

⁸ Except for: community facilities and services dependent upon rural location and if their size and scale support rural character; and sites listed in 2012 School Siting Task Force Report:

<http://www.kingcounty.gov/~media/exec/constantine/documents/2012/SchoolSitingTaskForce/FinalDocuments/FinalReportAndRecommendations>

If adopted, PF-19A would apply to the cities and school districts in King County, as well as the County itself as a local jurisdiction. As a result, the County would be required to coordinate land use and facility planning with the school districts that have populations within unincorporated areas of King County. Additionally, starting in 2017 and every two years thereafter, the County would be required to report back to the GMPC on behalf of the school districts and local jurisdictions on the effectiveness of the cooperative process in meeting the policy goals. Executive staff have noted that this increased workload for County staff would be able to be achieved within existing resources, which is reflected in the fiscal note attached to the legislation.

GMPC action

On April 22, 2015, the GMPC adopted Motion 15-1, which is a non-binding recommendation to the County Council to adopt PF-19A. Consistent with CPP adoption requirements, Proposed Ordinance 2015-0231 forwards this GMPC recommendation to the County Council for consideration and possible approval. If adopted by the Council, the ordinance would ratify the change on behalf of the population of unincorporated King County, and would begin the ratification process by the cities.

There is no deadline for Council action on the proposed CPP amendment; however, both the school districts and the local jurisdictions are eager to begin implementation of the proposed policy given the time that has passed since adoption of the school siting policies in 2012.

ATTACHMENTS

1. Proposed Ordinance 2015-0231
2. Transmittal Letter
3. Fiscal Note
4. GMPC Staff Report dated April 22, 2015

INVITED

1. Karen Wolf, Senior Policy Analyst, Office of Performance, Strategy and Budget

RESOLUTION R-5149

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RATIFYING AN AMENDMENT TO THE KING COUNTY COUNTYWIDE PLANNING POLICIES.

1 WHEREAS, the Metropolitan King County Council adopted new
2 King County Countywide Planning Policies (CPPs) on December 4, 2012;
3 and
4

5 WHEREAS, the Growth Management Planning Council (GMPC)
6 was established by interlocal agreement to provide collaborative policy
7 development of the CPPs; and
8

9 WHEREAS, the GMPC passed Motion 15-1 on April 22, 2015,
10 recommending the addition of a new policy to the CPPs promoting
11 cooperation between local governments and school districts in the siting
12 of new school facilities within the Urban Growth Area; and
13

14 WHEREAS, on July 20, 2015, the Metropolitan King County
15 Council adopted Ordinance 18084 approving the amendment to the
16 CPPs recommended by the GMPC; and
17

18 WHEREAS, Policy G-1 of the CPPs requires ratification of the
19 CPPs and amendments to the CPPs by 30 percent of the city and county
20 governments representing at least 70 percent of the population of King
21 County, within 90 days of adoption by the King County Council.
22

23 NOW, THEREFORE, be it resolved by the City Council of the City
24 of Kirkland as follows:
25

26 Section 1. The Kirkland City Council ratifies Metropolitan King
27 County Ordinance 18084 amending the King County Countywide
28 Planning Policies.
29

30 Passed by majority vote of the Kirkland City Council in open
31 meeting this ____ day of _____, 2015.
32

33 Signed in authentication thereof this ____ day of _____,
34 2015.

MAYOR

Attest:

City Clerk